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Exchange rates table with columns for various currencies and their values.

Takeshita Offers Aid On Bases

Tokyo Will Seek Legal Changes to Help U.S. on Costs

By Clyde Haberman
New York Times Service
TOKYO — Government and governing party leaders agreed Friday to seek legal changes that would enable Japan to absorb a larger share of the costs of stationing U.S. troops here.



Snowstorm Disrupts the Usual Flurry in Washington
A U.S. Capitol policewoman, Noelle O'Donnell, trudging through snow on her way to work on Friday. The federal government excused workers, except essential personnel, such as policemen. About 8 inches of snow fell on the capital. Page 5.

N.Y. Stocks Plummet; Brady Report Urges Single Market Agency

Panel Sees Fed Role in Oversight

The Associated Press
WASHINGTON — A presidential commission studying the October stock market plunge recommended Friday the formation of a single federal agency to oversee the nation's financial markets.



Nicholas F. Brady

Dow Falls 140 Points, Down 6.8%

Compiled by Our Staff From Dispatches
NEW YORK — The Dow Jones industrial average plummeted 140.59 points on Friday, its third-biggest fall on record and its worst performance since the market crash in October.

Pretoria's Repression: It Seems to Work

By William Claiborne
Washington Post Service
JOHANNESBURG — A brief legal notice in the official Government Gazette on Friday speaks volumes about what happened to the black revolution that appeared to be taking hold across South Africa just 18 months ago.

Translating G-7 Jargon: The Deal That Was Cut

By Leonard Silk
New York Times Service
NEW YORK — With the financial markets pursuing the dollar down, up and sideways, the big question remains: What is U.S. policy on the dollar?

Klosk

Salvador Judge Denies Amnesty

SAN SALVADOR (AP) — A judge turned down on Friday a request for amnesty from three former members of the Salvadoran National Guard convicted of the 1980 slayings of four American churchwomen, a court official said.

Israeli Soldiers Kill Another Palestinian

by Glenn Frankel
Washington Post Service
JERUSALEM — Another Palestinian was shot to death Friday and five others were wounded in clashes with Israeli soldiers in the Gaza Strip as Israeli sought to crack down on a new outbreak of rioting that has wracked the occupied territories for five weeks.

Firm Commitment: U.S. Company-Worker Loyalty Wanes

By Don Oldenburg
Washington Post Service
WASHINGTON — At 32, he was considered a Wall Street whiz kid, managing the bonds division of a major brokerage firm. When a competing company offered him more authority and another figure on his income, he did not think twice.



ARMED AND THE WOMAN — Clutching automatic rifles, young women volunteers of the Iranian mobilization forces gathered recently at a rally in Tehran. Although few details are available on the force, the women have begun appearing at military parades and training exercises.

General Mamel Antonio Noriega, the Panamanian leader, was asked by a high-ranking Pentagon official to step down and allow free elections. Page 3.

General News
Thousands of anti-apartheid demonstrators greeted Prime Minister Margaret Thatcher in Nigeria. Page 2.

Sports
The National Football League playoffs this weekend will see some strange faces, and a lot more cold players. Page 13.

Monday
The jittery New York apartment market is examined in Personal Investing.

The Dollar
Dollars 1.6385
Pounds 1.819
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Love Nest News Grips Lagos!

Polygamy Seems to Give Ground to Eternal Triangles

By James Brooke

LAGOS — "Merchant bank lawyer orders wife out... as lady love moves in."
"Man escapes death plot by ex-lover."
Every Thursday, people here eagerly turn to the pages of Lagos Life for the latest news in the war between the sexes.

polygamous men have on average three wives.
"Nigeria is essentially and fundamentally a polygamous society," said Gani Fawehinmi, a Moslem lawyer with two wives.
Muslims make up a slim majority of the country's population, and Islamic law allows a man to have four wives.

romantic discord, he said that several people have threatened to sue him for libel.
According to Lagos Life, domestic violence often starts when a husband tries to introduce a second wife into the home.
In an article headlined "Man takes mistress home to stay," a Lagos lawyer named Motor introduced his wife to a "relation" named Emi.



Manager bites wife

Merchant bank lawyer orders wife out
...as lady love moves in

Sexploitation: Director in trouble

Manager, mistress in office brawl
...over promise of marriage

Top officer's wife floored

Husband-snatcher in hot water attack

Thatcher Encounters Big Protest In Nigeria

KANO, Nigeria — At least 500,000 people, including thousands of angry anti-apartheid demonstrators, met Prime Minister Margaret Thatcher of Britain in northern Nigeria on Friday.
British security officials with Mrs. Thatcher estimated the crowd at the Kano airport and lining the streets of the ancient city at between a half-million and one million.

WORLD BRIEFS

Chirac, Meeting Honecker, Cites Wall

PARIS (AP) — Prime Minister Jacques Chirac, meeting Friday with the East German leader, Erich Honecker, said that the Berlin Wall remained the symbol of a divided Europe and that it should come down.
The wall is a reminder "that the division of our continent is not a simple concept, but a painful reality," Mr. Chirac said.
Mr. Honecker, making the first visit by an East German leader to one of the three Western powers that have occupied Berlin since the end of World War II, did not address the issue of the wall.

2 Doctors Dismissed in South Africa

JOHANNESBURG (UPI) — The authorities dismissed two doctors on Friday and at least six others face penalties for refusing to retract their criticism of "disgusting and despicable" conditions in the country's biggest black hospital.
Professor Clive Rosendorff, dean of medicine at Johannesburg's University of the Witwatersrand, said he heard that two specialist trainees were given 24 hours' notice to leave. He said they apparently refused to apologize for signing a letter in September in which 100 doctors condemned conditions at the giant Baragwanath Hospital about 10 miles (16 kilometers) from the center of Johannesburg.

Sudden Mine Strike Spreads in U.K.

LONDON (UPI) — Thousands of miners in southern Yorkshire coalfields joined a growing strike Friday that is turning into the biggest coal stoppage in Britain since the yearlong strike that ended in 1985.
More than 12,000 miners have stopped work at 17 mines in a dispute over three men who were reassigned to other duties because British Coal, the employers, said they were not working hard enough at a training job.
Local union leaders said they intend to close the entire coalfield (70 miles (270 kilometers) north of London) until British Coal agrees to give the men a hearing. Even though led by union officials, the stoppages are considered unofficial because the men did not vote before walking out.

Political Foes Hold Talks in Seoul

SEOUL (Reuters) — The ruling and main opposition parties in South Korea held talks Friday for the first time since the presidential election Dec. 16, indicating a possible improvement in their previously hostile relationship.
Parliamentary floor leaders from the two main opposition groups held separate meetings in the National Assembly with their counterparts in the ruling Democratic Justice Party.
The legislators were expected to begin negotiations soon on revising election laws before the parliamentary polls that are due to take place between February and April, spokesmen for the rival camps said. No agreement was reached except to continue discussions Monday, the spokesmen said.

For the Record

A moderate earthquake shook Southern Italy in the rugged countryside around the provincial city of Potenza on Friday, causing residents to flee from their homes, the news agency ANSA reported. The quake did not cause any injuries or damage.
France and Spain signed an agreement Friday in Madrid permitting each country to return illegal immigrants. The accord is similar to other bilateral agreements that France has signed with member states of the European Community.
West Germany warned citizens Friday against traveling to Lebanon during the Dusseldorf trial of Abbas Ali Hamadeh, following threats by the kidnappers of a West German in Beirut. Mr. Hamadeh is charged with abducting two Germans in Beirut a year ago.
Twenty-six British soccer fans will be tried for manslaughter over the 1985 Heysel stadium riots that left 39 dead, a Belgian court decided Friday. Three Belgians, including the former head of the Soccer Union, and two police officers will be tried for lack of precautions and lack of appropriate reaction to the rioting. No date has been set.

TRAVEL UPDATE

Travelers in Italy Face More Strikes
ROME (AP) — Travelers in Italy will face another series of strikes announced for this month by railroad, airport and ferry workers, union officials said Friday.
Train engineers are to stop work for 24 hours starting Sunday at 2 P.M. to protest management plans to reduce the number of engineers per train from two to one. The state-run railroad, however, has said it planned to guarantee the most important domestic and international runs Sunday.
On Monday, ground workers at Italian airports are to stop work in a continuing dispute over their contracts. They are to resume work Monday evening. On Tuesday, ferry workers for the Tirrenia company are to strike for 24 hours. Other disruptions are set for later in the month.
All travelers from Colombia — not just Colombian citizens — will be given close scrutiny by customs inspectors at U.S. borders, the State Department announced Wednesday.
Virgin Atlantic Airlines is offering one-way flights from London to Miami and New York for \$88 (\$158) to take advantage of the weak dollar. Return tickets would cost only \$47.
The mayor of Ankara advised the sick and elderly Friday to stay indoors because of pollution caused by burning lignite instead of coal for winter heating. Mehmet Altinsoy, under attack for not reducing smog, said it was still below accepted danger levels.
Hundreds of U.S. tourists were stranded in Guyana on Friday when Sun Coast Airlines suspended its Georgetown-New York flights amid bankruptcy proceedings. The travelers, who held confirmed tickets on the former British colony from New York for holidays, Sun Coast Airlines filed for bankruptcy in New York earlier this week.
Correction
An item in the Weekend pages of Jan. 8 incorrectly stated the date of a play by Federico Garcia Lorca. "El Publico" was written in 1929-30.

Mitterrand's Coyness Is Wearing Thin

By Edward Cody

PARIS — President Francois Mitterrand, by refusing to say whether he will run in elections less than four months off, has created a novel guessing game that is absorbing France.

The strategy of political silence has allowed Mr. Mitterrand to remain on the presidential heights, distant from the fray, and at the same time to become ubiquitous as a subject of speculation.
As the first-round vote on April 24 draws nearer, however, his coyness has begun to irritate opponents and worry some supporters, while fascinating them all.
The question represents more than idle curiosity.

Opinion polls have consistently reported that if elections were held now, the Socialist leader could defeat either of the main conservative candidates, Prime Minister Jacques Chirac and former Prime Minister Raymond Barre, and gain another seven-year term at age 71.

Mr. Mitterrand's decision, which he insists he has not reached, thus will profoundly affect a number of political careers, Mr. Chirac's and Mr. Barre's chief among them.

Socialist pretenders, including Michel Rocard and Jean-Pierre Chevènement, both former government ministers, also have been hanging on the president's words.

According to some of the president's aides, his final course also could encourage a rearrangement of the French parliament's traditional left-right division into a centrist majority drawn toward a triumphant Mr. Mitterrand.

had been designed only for political effect.
"Believe me, I am not having fun playing with you," he told reporters. "Let those who believe a politician is always insincere give me credit. When the time comes, I will tell the country what seems to me useful to do for its future. Eliminate the notion of game or calculation."

For longtime Mitterrand observers, however, that is a lot to ask.

The Socialist politician, a fixture of French public life since World War II, has acquired such a reputation for calculation and agility on issues that he is known as "the Florentine."

In addition, Mr. Mitterrand has frequently seemed to take pleasure in dropping ambiguities about his plans, teasing followers and detractors alike with sly phrases that quickly become the subjects of Paris dinner conversations.

To reporters pestering him for a clear yes or no, for example, he compared his present term to an unfinished symphony.

Claude Estier, a Socialist senator and longtime Mitterrand associate, predicted this week that the president would make his decision known "in the second half of February, one evening at 8 P.M." — the television news hour.

Presidential aides, pumped for insights, have consistently told questioners that they do not know Mr. Mitterrand's decision and believe he has not yet made it.

They have described the president as torn between the fear of old age and a desire to reflect and write before it is too late, on the one hand, and, on the other, the fear that the Socialist Party will decline if he retires at the height of his popularity.

Syria Starts Diplomatic Offensive

By Youssef M. Ibrahim

PARIS — Syria has begun a diplomatic offensive, proposing to play host to a meeting of the Arab countries of the Gulf and Iran, with which they are at odds.

Arab diplomatic officials said Syria's motives included, among other things, currying favor with the alliance of Arab countries of the Gulf Cooperation Council and countering the rising influence of Egypt, which is making a comeback with the Saudi-led council.

Egypt has reached a Kuwaiti accord to train and equip Kuwaiti air-defense forces against Iranian missile attacks, and it is holding military cooperation talks with the five other members of the council — Bahrain, Oman, Qatar, the United Arab Emirates and Saudi Arabia.

On Saturday, President Hosni Mubarak of Egypt is scheduled to start visits to all council countries as well as Iraq. It will be the first time in 10 years that an Egyptian president has visited the Arab nations of the Gulf.

In what Arab diplomats say is an attempt to counter this Egyptian diplomatic offensive, Syria's vice president, Abdel Halim Khaddam, and his foreign minister, Farouk al-Shara, are touring the Gulf this week.

The two Syrians visited Kuwait on Wednesday and Qatar and Oman on Thursday to push their mediation effort with Iran, delivering messages from President Hafiz al-Assad to the rulers of these countries.

Arab diplomats in Paris said Syria had been upset by the growing contacts, financial aid and military cooperation between Egypt and these countries since the conference of Arab leaders in Amman in November cleared the way for a resumption of diplomatic ties with Egypt.

An Egyptian foreign-policy official said in a telephone interview: "Clearly the timing is connected with President Mubarak's visit. The Syrian message is to tell the Gulf people that Syria, just like Egypt, can play a reassuring role in calming Iran down and cooling the conflict. They mean to contrast their mediation with Tehran by the role we are playing by making our military presence felt on the side of Iraq and the Gulf Arabs."

Arab diplomats said Syria also was eager to break out of its isolation in the Arab world. They said its financial crisis had been made worse by a cutoff of money because of its alliance with Iran and its military involvement in Lebanon.

Arab officials said Syria hoped to restart the flow of aid from Saudi Arabia, Kuwait and the United Arab Emirates, which ran higher than \$1 billion a year a few years ago, but has been gradually cut off.
The Arab countries in the Gulf are encouraging both Syria and Egypt to try to persuade Tehran to ease its confrontational stand, particularly toward Saudi Arabia and Kuwait, in its war with Iraq.
Arab officials said the Syrian mediation effort began in December, but had grown in the last two weeks after Mr. Mubarak's tour was announced.
One Saudi official, skeptical about a reconciliation with Iran, said, "We have gone through this many times already."
He added that it was imperative to try again because the Gulf War was "getting out of hand."
More than 400 ships in the Gulf have been attacked by Iran or Iraq during their war. Iran also fired Chinese-made Silkworm missiles at Kuwaiti installations last year.

The Economist to Move From Singapore

By Michael Richardson

SINGAPORE — After curbs imposed on several foreign journals by the Singapore government, The Economist of London has decided to move its editorial base in Southeast Asia from Singapore to Hong Kong, the magazine's bureau chief said Friday.

The decision was made on the heels of a decision by the Far Eastern Economic Review not to distribute in Singapore as long as the government left in place a restriction on its circulation.

The Review is one of four widely read international journals — Time magazine, Asiaweek and The Asian Wall Street Journal are the others — whose circulations have been drastically cut by the government in the last 17 months.

John Andrews, the Singapore bureau chief of The Economist, said Friday that problems he had recently encountered with the Singapore government "are not the main reasons for the move, but they obviously contributed."

Mr. Andrews said the magazine had decided that Hong Kong was "a better listening post for Asia." He said that since September, Singapore government ministers and officials had been instructed not to meet him because of an article published in his magazine's foreign report.

The foreign report carried an article on Aug. 20 about the arrests of 22 people in May and June, including a group of Roman Catholic Church workers, who were accused of involvement in a Marxist conspiracy. The arrests were made under an anti-subversion law that allows detention without trial.

Mr. Andrews said he had been called to the Singapore Foreign Ministry and told that the ban on access to the government was being imposed because the article had implied that there was a split in the cabinet over the arrests. The Economist denied there was any such implication, he added.

All four journals that have had their circulation restricted are U.S.-owned. The restrictions on Time, imposed in October 1986, were lifted in July.

Sales of the Journal, Asiaweek and Time were sharply cut by the government for failing to publish promptly and in full official letters contesting the accuracy of published articles on politically sensitive issues in Singapore.

The Singapore government recently warned that it would continue to take tough action against foreign publications deemed to interfere in local politics.
Defending imposition of drastic cuts in the circulation of four international journals in the last 17 months, Ong Teng Cheong, Singapore's second deputy prime minister, said a week ago that "the government will continue to take measures against publications which are bent on engaging in domestic politics or stirring up trouble among the various sectors of our society."

He added that publications that "sincerely believe in accurate and objective reporting" should not fear having their circulation cut.
On Dec. 29, the government cut the circulation of the Far Eastern Economic Review to 500 copies per issue from more than 9,000.
A statement from the Singapore Ministry of Communications and Information said an article in the magazine in December had "attempted to pit" the Roman Catholic Church against Prime Minister Lee Kuan Yew.
"In a multiracial, multi-religious society," the statement said, "where freedom of worship is vital for national cohesion, such allegations that the prime minister and the government are attacking a me-

Suspect Backs Duarte Over Killing

Washington Post Service

SAN SALVADOR — The man accused in the killing of a human rights leader in October says he was following orders from his superiors in a leftist rebel faction, but many Salvadorans remain skeptical.

Jorge Alberto Miranda, in an interview in prison, backed the assertion of President Jose Napoleón Duarte that leftist insurgents were responsible for the assassination, not rightist death squads, as has been speculated.

The killing Oct. 26 of Herbert Anaya, president of the nongovernmental Human Rights Commission, led to a week of anti-government protests and was portrayed as an attempt to sabotage the Central American peace plan.

"You can tell them I did it as they said, that I accept responsibility for my actions," Mr. Miranda, 39, said Thursday at the Maxima maximum security prison north of San Salvador. There was no one else present during the hour-long interview. Mr. Miranda appeared relaxed and healthy.

He said his mother, father and older sister, who have said he was asleep at the time of the assassination, were not telling the truth.

Mr. Duarte said Tuesday that the killing was a rebel execution and that Mr. Miranda was one of three men who carried it out.

Mr. Anaya's family, the commission and other human rights groups had blamed rightist death squads for the slaying, which was a blow to Mr. Duarte's human rights image.

The rebels deny that Mr. Miranda belonged to them or that they had anything to do with the killing.

Jules-François Crahay, Couturier, Is Dead at 70

NEW YORK — Jules-François Crahay, 70, a Belgian designer who began working as a couturier in Paris in the early 1950s, died of a heart attack Tuesday in Monte Carlo.
Mr. Crahay retired in 1984 from the House of Lanvin, where he had worked for 20 years. Before that, he worked for Nina Ricci from 1952 to 1963.
A quiet, unassuming man who wore casual clothes himself, he designed for women in the haute couture tradition, where lavishness of fabrics and design was practically unlimited.

His first big success was at Ricci in 1959, when he presented a curvy, feminine collection, including cocktail dresses with deep décolletages as well as rounded suits, at a time when the more austere clothes of Balenciaga and Givenchy were in the limelight. Later, he joined the House of Lanvin and became known for his folkloric styles.

Gunnar Engellau, 80, EX-Chairman of Volvo STOCKHOLM (AP) — Gunnar Engellau, 80, the Swedish industrialist who built the Volvo company into a major international automobile maker, died Tuesday in a nursing home in Goteborg, where he lived.

Between 1956, when he became managing director and chief executive officer of AB Volvo, and 1978, when he retired as chairman, annual production grew from 31,000 to 260,300 cars. Corporate revenues, from the manufacture of marine and jet engines and buses and trucks as well as cars, rose from \$140 million in 1956 to \$1 billion in 1978.

Other deaths:
Henrique de Souza Filho, 43, the Brazilian cartoonist known as Hef, died in Rio de Janeiro on Monday of pneumonia and other AIDS-related complications. He and his two brothers, all hemophiliacs, contracted AIDS following transfusions of contaminated blood.
Robert G. Pehsst, 76, mayor of Napa, California, who played roles in such television Westerns as "Death Valley Days" before entering politics, after a lengthy illness Tuesday in Vallejo, California.

Lebanese Unions Say Inflation Rate Is 730%
BEIRUT — The inflation rate in Lebanon, after nearly 13 years of civil war, reached a record 730 percent in 1987, according to figures released Friday by the General Labor Federation. The rate was up from 104 percent in 1986, the previous record.
Officials of the federation, Lebanon's trade union umbrella body, said they expected the news to fuel a further increase in inflation. No government figures have been issued for 1987.

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Short Talks

Pentagon Aide Made Secret Visit to Panama To Ask Noriega to Quit

By David B. Ottaway
Washington Post Service

WASHINGTON — The Reagan administration sent a high-ranking Pentagon official on a secret mission to Panama last week to press its leader, General Manuel Antonio Noriega, to step down and allow free elections in the country, according to State Department and congressional sources.

The official, Richard L. Armitage, assistant secretary of defense for international security affairs, held what one U.S. official called "a lengthy session" with General Noriega early last week to urge his withdrawal from politics.

Mr. Armitage was picked to deliver the administration's strongest direct message to date to General Noriega because the Panamanian leader is a "military man," and Washington wanted "the most effective interlocutor possible," the official said Thursday.

Access by U.S. officials to General Noriega, who has resisted mounting U.S. pressure to resign, "has not been extensive" recently, said the administration, wanting to hold a "face-to-face meeting" to make sure he "knows this is our policy," the official said. No details were available on what Mr. Armitage reported General Noriega's response to have been.

One official complained the Armitage mission to that of Paul Laxalt, then a senator, whom Mr. Reagan sent as his personal envoy to the Philippines in October 1985 to urge President Ferdinand E. Marcos to hold an election. Mr. Marcos was declared the winner of the vote in February 1986, but there were widespread reports of fraud. Subsequent street protests and the defection from Mr. Marcos of two top officials ultimately led to Corazon C. Aquino's becoming president.



Vice President George Bush examining a corn stalk at a greenhouse in Johnston, Iowa. A poll leading up to the Iowa presidential caucus voting on Feb. 8 shows Mr. Bush is trailing Senator Bob Dole.

Dole Shows Gain in Iowa Poll

Anti-Reagan Republicans Surveyed Prefer Him to Bush

By E.J. Dionne Jr.
New York Times Service

NEW YORK — Senator Bob Dole of Kansas has capitalized on disaffection with President Ronald Reagan among Republicans in Iowa to build a substantial lead over Vice President George Bush a month before a crucial presidential caucus there, a new *New York Times* CBS News Poll has found.

The poll found the Democratic presidential contest to be far less clear, with former Senator Gary Hart of Colorado leading by one

Jackson in Osakis? 'You Bet'

Presidential Candidate Warms a Small Minnesota Town

By Bill Peterson
Washington Post Service

OSAKIS, Minnesota — When the Reverend Jesse L. Jackson came here to campaign this week, it was, Mayor C.J. Moore proclaimed, "the biggest thing that had ever happened" in this snow-covered town of 1,326 residents.

No one knew quite what to expect. A presidential candidate had never visited Osakis before, and the last time some residents saw a famous black man up close was in 1963 when the Inkspits performed at the local high school.

But this resort and farming town went wild over Mr. Jackson. The community center was filled to its capacity of 310 a full hour before Mr. Jackson arrived. Hundreds more shivered outside in the bitter cold. When the Democratic presidential candidate saw them, he decided to hold a second impromptu rally at the high school.

About 800 people showed up for that. Mr. Jackson, wearing a red "Osakis Silverstreak" sweatshirt and a Minnesota Twins baseball cap, soon had the whole place chanting: "I am! Somebody! I am! Somebody! Respect me! Protect me! Never neglect me!"

"He did a fine job," said Newman Olson, president of the First National Bank of Osakis and a lifelong Republican. "He made a very positive impression on everyone."

Osakis, 120 miles (190 kilometers) northwest of Minneapolis where the prairie meets the Minnesota lake country, is not a place to show emotion easily.

It is populated for the most part by emigrant Scandinavians and Germans. They are a stoic lot, not given to quick opinions or emotional outbursts. Politics in Osakis tends to be progressive but middle-of-the-road. Conversations are short and direct, usually ending with a noncommittal, "You bet." "That's different" or "Whatever."

No one can recall a black family living in the town.

For weeks, the big question has been, why would Mr. Jackson want to come to Osakis?

The easy answer, said Tom Ellis, editor of the *Osakis Review*, is, "I brought him here." Mr. Ellis is a controversial figure in Osakis. He prints a quotation from Horace

'He did a fine job. He made a very positive impression on everyone.'
Norman Olson, Osakis bank president

thus considers itself "a major media market."

But Paul Wellstone, Mr. Jackson's state co-chairman, stopped by Mr. Ellis's office on his way to Alexandria. "I told him if you bring him to Osakis, we'll put on a free pancake breakfast," Mr. Ellis said. Mr. Wellstone agreed.

Two authors, writing more than half a century apart, popularized different versions of life in small-town Minnesota.

In the 1920s, Sinclair Lewis based his novel "Main Street" on his hometown of Sauk Center, 15 miles from Osakis. More recently, Garrison Keillor created a fictional town called Lake Wobegon — a town that sounds very much like Osakis — as a place "where all the women are strong, all the men are good looking and all the children are above average."

Neither book captures the reality of life in Osakis today. Like small communities across the Middle West, Osakis has been in economic doldrums for more than five years. There are six empty storefronts downtown.

"If he appeals to the distressed farmers and small businessmen, he could get a lot of support here," said Lillian Orndahl, one of town's most active Democrats. "There are a lot of people still hating here. But we are a proud people in rural Minnesota, and we don't let a lot of people know we have financial problems."

Deadline for Compliance With Pact May Be Extended by Latin Leaders

By Julia Preston
Washington Post Service

MANAGUA — A consensus is emerging among the Central American nations for extending the deadline for compliance with a regional peace plan beyond the Jan. 15 meeting of the five participating presidents, according to diplomats and government officials.

In Nicaragua, for example, the political opposition and the main sponsors of the plan's progress have concluded that the Sandinista government has failed to comply fully with the democratic changes required under the accord reached Aug. 7. But they said they want to see the peace process continue.

A previous deadline, Nov. 5, proved too early for full implementation of the plan. The probability that the second also will be missed heightens the dilemma of U.S. legislators awaiting clear signs from

Central America before deciding which way to vote on military aid for the Nicaraguan rebels, known as contras.

Many diplomats say the outcome of the first Central American summit meeting since the peace accord was signed will be determined largely by the interaction of the five leaders during their daylong encounter, which is to take place in San Jose, Costa Rica. There could be surprises.

The governments of Costa Rica, Nicaragua and El Salvador have expressed interest in extending the deadline for a short period and have specified areas requiring further action.

"No one wants to take the historical responsibility for killing this peace process," observed a Central American diplomat.

The Sandinista government forfeited much of the momentum initially gathered in Washington when, last month, Defense Minister Humberto Ortega Saavedra confirmed plans for a Soviet-supported military buildup eventually to arm up to 600,000 Nicaraguans. Congress subsequently voted \$13.5 million in interim contra aid.

"The atmosphere has changed," a Western ambassador said, adding that President Daniel Ortega Saavedra's room to maneuver "is definitely reduced."

The Nicaraguan government's earlier measures, allowing some opposition-news media to reopen, entering into political dialogue with the unarmed opposition and starting indirect cease-fire talks with the rebels, have sparked heated debates in the Sandinista party and military.

Cardinal Miguel Obando y Bravo, the mediator with the contras, gave an international monitoring commission that just visited Managua more guarded criticism of the Sandinistas' performance than many opposition leaders had expected.

The Roman Catholic archbishop of Managua limited himself to saying, "We recognize the positive steps the government took," then cited the steps he felt it failed to take, a much longer list. While the government pardoned 985 prisoners in November, he stressed the need for a general amnesty.

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AMERICAN TOPICS

A Program to Rescue The Future at Birth

The best way to get a welfare mother's offspring from going on welfare in turn or becoming a juvenile delinquent is to start when the baby is born, says The *New York Times*, reporting on a parent-child program in San Antonio, Texas. The program, *Avance*, was started by a schoolteacher, Gloria Rodriguez, who was a child of the city's slums.

In 1970 she got her first class of 6-year-olds. Although they were only in the first grade, they already had been labeled as retarded, slow or even uneducable. Because they all were Hispanic, Mrs. Rodriguez assumed their problems lay in never having had a bilingual teacher before. But the children were as deficient in Spanish as they were in English. Mrs. Rodriguez taught most of them enough to get into the second grade. "But it was clear they would never really catch up," The *Times* notes. "Their education had to begin when their lives began, with their parents as teachers. That's true for all children, but these parents didn't know how to do the job."

With financing from the Zale Foundation of Dallas, Mrs. Rodriguez enrolled women in the first *Avance* class in 1973. Currently, *Avance* serves 1,300 families a year. It teaches "simple things that parents are not born knowing." The *Times* says. Mothers are taught how to nurture, educate and discipline. They learn, for example, the necessity of responding to children's questions. "If, at the end of the nine-month program, the children are better equipped for school, so, too, are their mothers."

U.S. Deficit to Exceed '89 Target, Report Says

By Spencer Rich and Paul Blustein
Washington Post Service

WASHINGTON — The U.S. budget deficit in the 1989 fiscal year will rise to \$167 billion — \$31 billion over the legal target — if the economy performs as private forecasters are predicting, according to White House budget documents.

That would mean that to shrink the deficit to \$136 billion in accordance with the Gramm-Rudman-Hollings budget law, there would have to be more stringent measures than enacted in the budget compromise that the president and Congress reached in December.

The documents obtained Thursday contain the highlights of President Ronald Reagan's budget being prepared for submission to Congress in mid-February. The draft budget envisions federal spending in fiscal 1989 of \$1,104 trillion and a deficit of \$136 billion, the Gramm-Rudman-Hollings target for that year.

Projections in the draft, based on the Reagan administration's economic forecast, show a deficit narrowing from the \$148 billion level recorded in fiscal 1987, which ended Sept. 30. The deficit will be \$146 billion in the current fiscal year, according to the White House projections.

But under the less optimistic scenario foreseen by most private economists, the documents show the deficit would widen to \$158 billion in the current fiscal year and to \$167 billion in fiscal 1989, which begins Oct. 1. This projection is based on the Office of Management and Budget's projections of spending and taxes using an economic forecast prepared by Blue Chip Economic Indicators, which surveys many corporate and university economists and averages their predictions.

Short Takes

When Glenn M. Brasch, a police pilot in Tucson, Arizona, saw a car weave erratically onto railroad tracks and stop in the path of an approaching train, he dipped his helicopter close to the ground and flashed his spotlight at the locomotive. It braked to a stop about 200 yards (180 meters) from the car.

Handreds of people turned out in Farmington, Maine, to honor a local hero, Chester Greenwood, inventor of the earmuff. The celebration included earmuffs for babies and dogs and even oversized earmuffs for cars. The state legislature declared an annual "Chester Greenwood Day" 11 years ago. Mr. Greenwood had won patents for more than 100 inventions when he died in 1937 at age 73. He made his first pair of earmuffs at 15 with a piece of wire and bits of fur he had his grandmother sew at the ends.

Seven in 10 American adults say they are members of a church or synagogue, according to a Gallup survey in late 1987. The figure, 69 percent, was the same for 1986. The highest percentage was in 1947, when 76 percent said they were church or synagogue members. The lowest was in 1982, when 67 percent claimed membership.

The expression "cutting edge" has been so overused that it should be retired, the Unicorn Hunters, a society for defending proper English usage, has recommended. The group consists of writers, students and faculty at Lake Superior State University in Sault Ste. Marie, Michigan. Also on its annual list of terms to be banned were "orientate," a stretching of "orient" called an "example of the trend toward polysyllabification" and "on a roll," called "fine for hot dogs and sesame seeds, but not people."

— ARTHUR HIGBEE

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Even though the administration issued a less bullish forecast this year than it has in prior years, substituting the Blue Chip forecast still leads to a substantial worsening of the deficit outlook.

The fiscal 1989 draft budget adheres to guidelines set by the White House-congressional agreement. It calls for \$294 billion in military spending, \$513 billion in outlays for such programs as Social Security and Medicare, \$169 billion for domestic programs that are subject to annual appropriations and \$16 billion for such international programs as foreign aid. It envisions interest payments on the national debt of \$154 billion and offsetting payments from federal programs of \$42 billion.

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Japanese Unions Say Inflation Rate Is High

BEIRUT — The Japanese government has announced that the inflation rate in 1987 was 4.9 percent, the lowest since 1982.

Page 3
Page 4
Page 5
Page 6
Page 7
Page 8
Page 9
Page 10
Page 11
Page 12
Page 13
Page 14
Page 15
Page 16
Page 17
Page 18
Page 19
Page 20
Page 21
Page 22
Page 23
Page 24
Page 25
Page 26
Page 27
Page 28
Page 29
Page 30
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Page 33
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Page 72
Page 73
Page 74
Page 75
Page 76
Page 77
Page 78
Page 79
Page 80
Page 81
Page 82
Page 83
Page 84
Page 85
Page 86
Page 87
Page 88
Page 89
Page 90
Page 91
Page 92
Page 93
Page 94
Page 95
Page 96
Page 97
Page 98
Page 99
Page 100

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

In Gaza, Blame for All

Sanctimony and hypocrisy attend the great tragedy being played out now over the Palestinians of the Gaza Strip. Any fair look at Gaza, and the West Bank, shows guilt on all sides — Israel, Arab leaders, the United States and the United Nations. They have all stood by while Palestinians have been stripped of any legitimate political voice, and few have worked to rekindle hope through renewed Arab-Israeli negotiations.

open to challenge on this issue, the UN hardly sparkles with credibility and even-handedness on Middle Eastern matters. When has that august body taken notice of Arab barbarity, let alone condemned it? The response to Israeli actions in Washington, in the United Nations and around the world smacks more of convenience than of constructive diplomacy. It is far easier to take a swipe at Israel than to create a basis for negotiations between Israel and its Arab neighbors.

Holding the Dollar Steady

Temporary though it may turn out to be, the rescue of the dollar was worth the cost. That cost was high. In recent days the major industrial countries have put several billion dollars into a joint attempt to stabilize exchange rates. But to have let the dollar continue to fall, while governments stood by carelessly with their hands in their pockets, would have invited disaster.

trade deficits of the past six years have been financed by a flow of hundreds of billions of dollars of foreign capital — European, Japanese and Latin — into the United States. Some of it is long-term industrial investment, like the factories the Japanese auto companies are building in America. But the greatest part of that money is parked uneasily in banks and the securities markets, from which its owners could recall it by telez in a matter of hours.

What Kind of Politician...

Which U.S. presidential candidate is entitled to the second-biggest amount of federal matching funds? The answer is Pat Robertson. Yet Mr. Robertson says he may give the money back. His fund-raising statements tell us something about his appeal and how he operates.

count. But spokesmen say the candidate may still return it. Mr. Robertson, it is said, wants to save taxpayers' money. That strikes us as the cheapest sort of grandstanding. What Mr. Robertson may be concerned about are the spending limits, reporting requirements and election commission audits that apply to any campaign that accepts matching funds; he may want to wiggle out from under these if the direct mail response is good enough.

A Trendy Fretter's Guide

Don't relax. There is always something to worry about. Herpes, crack and nuclear holocaust have not gone away but have become passé worries. A trendy era obeys fashion even in its fretting. Here are some worries that have already infected 1988:

The world will get too cold if the next ice age arrives before the greenhouse effect does. The dollar may make a strong recovery, ruinously reversing improvements in the U.S. balance of trade.

For Israel, a Different Struggle to Survive

By Flora Lewis

PARIS — Survival has always been the first issue for Israel, but it has changed dimension over several periods. In the aftermath of the Holocaust, the goal was creation of the state. Chaim Weizmann, the first president, hoped to make Israel a member of the British Commonwealth, to give it assured links to the democratic West across the surrounding sea of Arabs.

Jerusalem who specializes in West Bank research, is right in noting that Palestinians failed to learn more than revenge and hatred from their losses. And he is right that Jews have failed to remember their purpose to build a democratic, healthy homeland where Jews could be "normal" people living in freedom and under self-government.

Two Leaders and Two Paths: The Right One May Lose

By Jim Hoagland

PARIS — Just as Yasser Arafat and his cohorts in the PLO seemed to be slipping into a well-deserved corner of oblivion, Prime Minister Yitzhak Shamir of Israel has come galloping to their rescue. In Middle Eastern politics, opposites may not attract, but they frequently need each other.

crucial role in shaping the Israeli response to the current uprising, and to the choice the electorate will make about Israel's future this autumn. There is nothing sentimental in Mr. Shamir's refusal to say goodbye to Mr. Arafat. He sees that the recurring images on the world's television screens of bullets against rocks chip away at the sympathy and support Israel has enjoyed abroad as a vulnerable and democratic nation in a region of violence and tyranny.



Shimon Peres and Yitzhak Shamir — Drawing by SZLAKAMANN.

You sense he is capable of anything. I asked him some months back why he was pushing for diplomatic movement between Israel and the Arabs when the situation was so clearly and hopelessly deadlocked. Precisely because it is clearly and hopelessly deadlocked, he replied.

sity will be greater than in Hong Kong," Mr. Peres said. "When the prime minister says that Gaza is an integral part of Israel, does he mean that the million people who will live there in 23 years are inseparable from Israel? Is this the present he wants to give Israel?"

The U.S.-Canada Pact: 'Win-Win,' but Just for Them

By Hobart Rowen

WASHINGTON — When President Reagan and Prime Minister Brian Mulroney signed a free trade agreement Jan. 2, they started a process that could phase out practically all tariff barriers between the two nations over the decade beginning in 1989. But they did more than that.

to the principle of multilateral trade, and to the most-favored-nation principle that underpins the trade policy of the United States and of the General Agreement on Tariffs and Trade. But GATT accepts and recognizes free trade agreements and custom unions. In the real world of the 1970s and 1980s, it has turned the other cheek to quotas and other non-tariff barriers that effectively scuttled the interests of third nations, which were supposed to be protected by the most-favored-nation principle.

'market liberalization club' approach, through multilateral arrangements or a series of bilateral agreements." The U.S.-Canadian agreement, he says, is "a lever to achieve more open trade. Other nations are forced to recognize that the United States will devise ways to expand trade — with or without them." This kind of language gets other nations' attention.

Making a Case for Greater Bank Powers

By Willard C. Butcher

NEW YORK — Securities industry protectionists are citing the market meltdown of 1987 as proof that banks have no business in the securities business. In fact, the case for expanded bank powers, far from being invalidated by the market collapse, has been strengthened.

Look at the record: Over the last 50 years no securities firms have failed as a result of underwriting losses, while loan charge-offs account for a large proportion of bank failures. Even in the case of British Petroleum, it is not as if these underwriters were forced to take an immediate cash loss. Many reportedly held on to much of their stock for some time, in spite of the British government's offer to buy it at a discount, in expectation of a future rise in market prices.

Some U.S. trade experts now wonder whether free trade agreements with Japan, and possibly Taiwan and other Asian nations, may be feasible. But an accord with Japan is a faraway dream. Even the U.S.-Canada deal is not home free. Protectionists in both countries will continue to fight it. Washington Post Writers Group.

100, 75 AND 50 YEARS AGO

1888: A Salute to Blanqui PARIS — The anniversary of the death of Blanqui attracted about a thousand rabid revolutionists to Père Lachaise yesterday (Jan. 8). The speakers included "General" Eudes, Cluizeau Vaillant and several anarchist "companions." A pious halt was made at the historic wall in the shadow of which lie buried the communists who perished in the cemetery seventeen years ago.

The Message On a Wall in Dharmasala

By A. M. Rosenthal

NEW DELHI — Traveling about India, or suddenly during conversations here in the capital, I find my mind wandering off to a street in a distant town in the Himalayas. The town is Dharmasala, where 7,000 Tibetan refugees live, including the 14th Dalai Lama. On the wall in that street is posted an account in Tibetan of a piece of legislation passed by the U.S. Congress as 1987-ended. Most Americans, probably almost all of them, are unaware of the bill, but it has excited Dharmasala, and made it think that Tibet might not be forgotten by the world after all.

Tibetans are puzzled: Congress supports them but the White House has turned its back.

should behave decently toward the Tibetans, give them a chance at liberty. And it says that in arms deals with the Chinese, the United States should take into account whether the Chinese are indeed trying to resolve Tibet's human rights disasters.

That is part of the price the United States quite willingly is paying for the privilege of dealing with China. People in Dharmasala are understandably hazy about the intricacies of American government: how the Congress can be so warm to Tibet, and the State Department and the White House make it clear that they intend to disregard Congress and continue the sellout of Tibet.

President Richard Nixon and Secretary of State Henry Kissinger opened China's door. Suddenly nobody was interested in making trouble for China. Tibet who? Moscow also showed sympathy to Tibet in the old days, but the Dalai Lama did not bite. Perhaps he should have; that might have interested Washington in Tibet again. Now, of course, the Russians are no more interested in annoying the Chinese than are the Americans.

It might be that if the American executive branch did what the American legislative branch wants — scream and shout — the Chinese indeed might free Tibetans, a little human liberty, these are wretched people who are uneasy about how wretchedly new China shows up as old China in Tibet. But if the rest of the world does not care, why should they stick their necks out? So I keep thinking about that street in Dharmasala. It struck me that it would be an inspiration to those Americans who have forgotten that there still are places where people believe the United States will always do what it can for freedom.

1938: The Biggest Battle FRANCO-SPANISH FRONTIER — While the biggest and bloodiest battle of the civil war was being fought around Teruel today (Jan. 8), the entire town was occupied by the Nationalist troops, headed by the Bishop of Teruel, who had entrenched himself in the Convent of Santa Clara for the past three weeks. Both sides brought every available plane and gun into play, spraying each other's positions with a "minuterie" stream of explosives.

1913: Turkey May Yield

LONDON — Though the labor of the delegates here are "suspended," the outlook for the ratification of the treaty of peace between the Balkan States and Turkey is more encourag-

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Handwritten text at the bottom of the page: 1988/01/10

Snowstorm Blankets East Coast Of the U.S.

Compiled by Our Staff From Dispatches
WASHINGTON — A major snowstorm moved up the East Coast on Friday, virtually closing the nation's capital and blanketing Philadelphia and New York after dropping more than a foot of snow on the South and leaving thousands of people without power.

Across the country, the death toll rose to at least 45 in the five-day onslaught of snow and bitter cold. In Washington, federal offices were closed, with about 240,000 employees given the day off. Municipal offices in the area also closed.

Forecasters said that Philadelphia and New York could expect six inches (15 centimeters) or more. The storm closed many airports across the country and delayed flights at others.

The Raleigh-Durham airport in North Carolina was closed at midday Thursday, and many flights were delayed or canceled in Atlanta, Memphis and Nashville, Tennessee; and Wichita, Kansas.

The Dallas-Fort Worth airport was packed Friday with stranded travelers, and thousands were stuck overnight at Atlanta's Hartsfield airport.

All Philadelphia schools were closed, as were many in Connecticut and suburban New York City as well as in parts of Virginia, Pennsylvania, Georgia and South Carolina. On Thursday, schools closed across the South.

Snow stretched from eastern Kansas to the Atlantic coast, with 10 inches in parts of Alabama, more than a foot in Tennessee and Mississippi, 16 inches in North Carolina and Georgia, and 18 inches in South Carolina.



Watching a blaze, a firefighter in Cicero, Illinois, got his eyebrows and his moustache frosted over with icy spray from the fire hoses.

JAPAN: An Offer of Help

(Continued from Page 1)
for discussions with the Canadian prime minister, Brian Mulroney. "He's facing a very tough trip," a senior government official said.

This official and others said they were concerned about the negative atmosphere in the United States, especially in Congress, where tough trade legislation aimed largely at Japan has made headway.

At the same time, many Japanese, in and out of government, express weariness with continuous complaints from the United States, which they regard as an economic underachiever, unable or unwilling to take advantage of numerous trade concessions and other adjustments that Japan has made in response to U.S. demands.

"There has been an erosion of goodwill on both sides," a U.S. official said.

One way that the Japanese government hopes to polish its image in Washington is by absorbing significantly more of the expenses related to the 11,000 Japanese who work on U.S. bases in Japan.

The United States pays these employees' salaries, but since last year Japan has absorbed 50 percent of their benefits, including retirement and housing allowances. In its 1988 budget the Takeshita government has set aside about \$165 million for this purpose.

Because these payments are made in yen, the cost to Washington has doubled in effect over the last two years as the dollar has lost value. Now, the Tokyo proposes to lift this burden from Washington entirely by financing all benefits to Japanese workers by 1990.

In Philippines, Another Election Death

By Seth Mydans
New York Times Service

PORAC, Philippines — When a bullet hit Ceferino Lumanlan in the forehead Wednesday night, it looked as if a sudden gust of wind was blowing back his hair.

Then he fell dead on the flatbed truck he was using as a makeshift campaign platform, the 54th, or perhaps 62d, casualty of the violent campaign for local elections. Nobody is sure just what the number is.

Campaigning has stopped in this little farming town 50 miles (80 kilometers) northwest of Manila, and on Friday both Mr. Lumanlan's supporters and those of his nephew and opponent in the mayoral race, Roy David, were gathered inside their separate compounds, surrounded by armed guards.

On the night after he was killed, Mr. Lumanlan's supporters said, sweeping women rode through the streets calling out to residents to support his widow, Jessa, who announced she would continue the campaign in his place.

Candidates had been killed in the first five weeks of the campaign for local elections, which are set for Jan. 18.

Philippine newspapers have counted 62 killings, but General Ramos said it was not clear whether all of these were related to the campaign. Dozens more candidates and campaign workers have been wounded or kidnapped.

Voting has been postponed in six provinces where the military said the potential for violence was high. The military asked for the delays so it could deploy enough troops to maintain order during the voting.

Some of the violence has been blamed on political rivalries and some on Communist insurgents who have reportedly also made threats and extorted "safe conduct" payments from some candidates.

General Ramos said the level of violence so far was actually lower than during legislative balloting in May, when 104 people were killed, or the 1986 presidential election, when 141 were killed.

But the atmosphere in Porac, as in other towns and villages around the country, is one of heightened tension as long-running local rivalries, often suppressed during the long presidency of Ferdinand E. Marcos, come to a head.

The mayoral rivalry in Porac, like other rivalries in Philippine politics and even crossing the lines of the insurgency, involves complicated networks of family ties.

Mr. Lumanlan, who was 46, was the godfather of Mr. David's son. Mr. Lumanlan's elder daughter is married to a nephew of Mr. David.

Mr. David's wife is the sister of the wife of Mr. Lumanlan's vice mayoral running mate.

Mr. David is the godfather of the son of Mr. Lumanlan's campaign manager, Salvador de los Reyes.

Both candidates, wealthy businessmen who have served previous terms as mayor, are related to Rob in Nepomuceno, who is running for governor of the province of Pampanga.

But a number of Mr. Lumanlan's supporters said such family relationships, which play an important part in Philippine society and which are sometimes believed to soften confrontations, had little effect on his rivalry with his nephew.

"Here in Porac, most of the people fighting in politics are relatives and friends," said Mr. de los Reyes. "But when the stakes are big we may have to sacrifice some relationships."

classified by the military as a "battleground zone" in the Communist insurgency.

But he said the style of the killing differed from that of the rebels, who usually fire with pistols at close range. He said Mr. Lumanlan appeared to have been shot by a professional killer using a high-powered rifle, possibly with a telescopic sight.

The patrolman, shirtless in the afternoon heat, said the police have few resources to protect candidates. His station, he said, does not have a telephone.

Rebels Target Americans
Communist rebel leaders have warned that U.S. military personnel and businesses are subject to attack. The Associated Press reported from Manila.

The threat against Americans was the December issue of the Nation, the official publication of the central committee of the outlawed Communist Party of the Philippines.

The magazine, made available to news organizations on Friday, said that targets of rebel operations had been redefined to include not only Philippine Army soldiers and policemen but also "U.S. imperialist agents, troops, agents and business empires."

Japanese Expect AIDS To Quadruple by 1993
TOKYO — The number of AIDS patients in Japan is likely to rise at least fourfold in the next five years from the 59 recorded by the end of last year, a government report said Friday.

QUASH: Crackdown by Pretoria

(Continued from Page 1)
nine months of last year, 264 people died, for a monthly average of 29.

By contrast, the average daily death rate for the first six months of 1986 was five, or about 150 a month. The institute's director, John Kane-Berman, said recently that even though the actual number of current fatalities could be higher, "any objective observer would have to conclude there has been a dramatic decline in unrest," adding: "The emergency clearly has worked."

Nongovernment experts on black politics and unrest in South Africa generally agree that the lowering of the revolutionary climate last year cannot be traced to a single factor, but instead was the result of a number of developments. Some of them are:

• Collective battle fatigue of the young black militants who turned the townships into battlegrounds and the police crushed their rebellion.

• The imposition of sweeping new "emergency" regulations that made any form of civil disobedience or organized opposition to government policy illegal if so decreed by a police officer.

ISRAEL: Soldiers Kill Another Palestinian in Gaza

(Continued from Page 1)
blocks and battled soldiers with stones and bullets.

"I don't think they are afraid of anything anymore," said an army official describing the waves of rioters that confronted soldiers Friday at the Bureij refugee camp in central Gaza. "We tried everything before we opened fire. It looks like they were on a suicide mission."

The army said Thursday night that about 1,000 persons attacked soldiers at the Mughazi and Nusret camps in central Gaza after loudspeakers in several mosques issued calls for a "holy war against the Jews."

The soldiers opened fire and a 15-year-old youth died and seven others were wounded, according to United Nations officials who said the youth's body was brought to the UN clinic at Mughazi.

Two of the injured persons were said to be in serious condition, and there was an unconfirmed report that one of them died Friday.

LOYAL: Less Obligation Between Workers and Firms

(Continued from Page 1)
stolen by combat for survival," he said. "Top management is suffering a workplace equivalent of post-traumatic stress disorder. It believes it must focus its full attention in the financial, legal and defensive manipulation areas or it'll lose the rest of the game."

So corporate heads who once slumped heads in the factory and called their workers by name at company picnics have delegated work-force concerns to their human resources departments, says Mr. Pasten.

One 57-year-old victim of a major minerals company layoff, in a report in Business Week recently, lamented after 34 years with the company, "It came down to an economic relationship," adding, "I thought I was in a family kind of thing."

"People do not 'buy into loyalty' unless it is reciprocal, contends Mr. Pasten. He said: "When your employer says sales are down this year and there won't be a raise, you're not supposed to look around and say, 'Well, where would I be better off?'"

Mr. Awadeh is the 26th Palestinian shot to death by the army in the past five weeks, 17 of whom are from Gaza. Nearly 200 more Palestinians have been wounded in the violence, which is considered the most widespread and intense wave of disorders since the occupation began 20 years ago.

Guns Turned In By Australians

(Continued from Page 1)
SYDNEY — Residents of New South Wales surrendered 600 guns Friday in compliance with laws passed after two mass murders last year, police officials said.

The expected thousands of guns to eventually be surrendered in New South Wales, which has 5.5 million people is Australia's most populous state. Gun owners have until Jan. 29 to hand over their weapons. After that, they face a fine of 700 Australian dollars (\$980). Only farmers and licensed members of shooting clubs may keep them.

Prime Minister Bob Hawke had sought to implement tougher gun control laws nationwide, but other states said the proposed legislation would not work.

Characteristically, the prime minister sidestepped questions Friday about what he would tell Mr. Reagan on these matters, declining to say whether he would discuss them at all.

But he said: "My attitude will be to implement in good faith whatever undertaking we make."

Here in Porac, most of the people fighting in politics are relatives and friends.

But when the stakes are big we may have to sacrifice some relationships.

Salvador de los Reyes, a campaign manager

Some of the violence has been blamed on political rivalries and some on Communist insurgents who have reportedly also made threats and extorted "safe conduct" payments from some candidates.

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New President at Princeton

(Continued from Page 1)
PRINCETON, New Jersey — Harold Tafer Shapiro, 52, was installed Friday as the 18th president of Princeton University.

Dr. Shapiro, who has been at Princeton since 1973, is a former member of the U.S. House of Representatives and served as a member of the House of Representatives from 1973 to 1979.

Dr. Shapiro is a member of the U.S. House of Representatives and served as a member of the House of Representatives from 1973 to 1979.

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PERSONAL INVESTING IN THE 1980s

MONDAY OF EACH MONTH EDITED FOR THE SOPHISTICATED INVESTOR— AN ESSENTIAL GUIDE TO OPPORTUNITIES AND PITFALLS— WORLDWIDE

PERSONAL INVESTING IN THE 1980s

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ISRAEL: Soldiers Kill Another Palestinian in Gaza

(Continued from Page 1)
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LOYAL: Less Obligation Between Workers and Firms

(Continued from Page 1)
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Guns Turned In By Australians

(Continued from Page 1)
SYDNEY — Residents of New South Wales surrendered 600 guns Friday in compliance with laws passed after two mass murders last year, police officials said.

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But when the stakes are big we may have to sacrifice some relationships.

New President at Princeton

(Continued from Page 1)
PRINCETON, New Jersey — Harold Tafer Shapiro, 52, was installed Friday as the 18th president of Princeton University.

ISRAEL: Soldiers Kill Another Palestinian in Gaza

(Continued from Page 1)
blocks and battled soldiers with stones and bullets.

LOYAL: Less Obligation Between Workers and Firms

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ARTS / LEISURE

The Cooling of Art Prices Could Bring Collectors Back

International Herald Tribune LONDON — Leading auction houses have been putting out press releases that read like victory bulletins and following them up with optimistic statements.

Souren Melikian

several sales at the end of the fall, it all looks very good. "Sotheby's announces record autumn season; sales increase 30 percent to \$509,407,000," a press release declares about worldwide sales.

Christie's did even better in relative terms, with total sales rising to £245,344,000 for an increase of 26 percent in sterling over the corresponding period last year.

In real life, things look a bit different. What has been done well is the obvious — anything that allows instant identification or easy categorization in glowing terms backed by references to provenance, publications, etc.

This fall, there were some striking examples in rarified fields hitherto reserved to those with accumulated expertise. The most spectacular outburst of uninformed buying could be observed in New York only three days after Black Monday, when Christie's was dispersing the late Estelle Doheny's collection of early printed books.

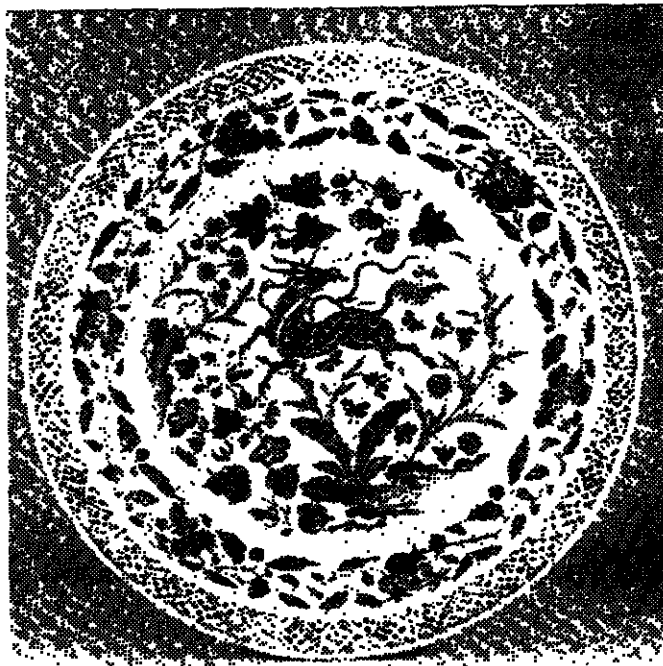
The rarest item, a single volume of the two-volume Bible printed by Gutenberg in 1454, was bought for \$5.39 million, three times the high estimate, not by a major museum or a great collector, but by a Japanese publishing house, Maruzen & Co.

On Dec. 8, Sotheby's auction of Japanese prints in London yielded a blatant instance of precedence to name and label over quality in a field that is even more difficult for beginners than rare books.

The portrait of the tea-house girl Ohisa by Utamaro had seemed dearly bought at \$70,000 in the June 18, 1975 sale of the Hans Popper Collection at Sotheby Parke Bernet.



The Utamaro portrait of Ohisa, sold for a record £220,000.



A 14th-century blue and white Ming dish, sold for £473,000.

The impression is splendid, but the subject pedestrian by Utamaro's standards.

The famous portrait of a woman seen three-quarters back, peering at her face in a mirror, illustrated the opposite. This is, perhaps, Utamaro's ultimate masterpiece, but the impression has been washed to a harsh white tonality that collectors loathe.

The portrait of the tea-house girl Ohisa by Utamaro had seemed dearly bought at \$70,000 in the June 18, 1975 sale of the Hans Popper Collection at Sotheby Parke Bernet.

Fuji," plus five more from a supplementary series of 10. The impressions vary in quality and on the whole are not the best. They are

believed to have been put together in album form in Japan in the mid-19th century. When sold in Paris for nearly 1.6 million francs on Nov. 15, 1979, then about £200,000, they had seemed extravagantly dear.

Significantly, the album and the record Utamaro portrait were acquired by International Fine Arts, a Hong Kong registered company that, professional sources assure, sells top-priced items of every kind to a millionaire clientele.

Throughout the auction, aesthetic achievement and the "top quality" vaunted in the press releases weighed lightly when it came to prices. Harunobu's masterpiece was represented by an admirable impression that Sotheby's expert had understandably run on the catalogue cover.

Not surprisingly, the trend toward labels and all sorts of considerations unrelated to art as such, was overwhelming in the areas where newcomers feel most at ease — above all Impressionist and Modern masters. The fact that Japanese dealers bought more heavily than ever enhanced the trend.

Perhaps the most revealing indication that art matters less and less and notoriety more and more in determining prices, lies in the equal treatment meted to all schools. Ecumenism in art is a sign of indifference. Here too the Japanese are falling into step.



Detail from Kandinsky's "Murnau - Landscape with Church I."

buyer acquired Kandinsky's Murnau view with a church, done in 1909 in a dramatic Expressionist style bordering on abstraction, for \$2.42 million, and in the same Sotheby's sale also bought a 1909 portrait by Kees van Dongen, still carrying the Fauvist stamp, for \$572,500.

In the new atmosphere, it is hardly surprising if the auction record for any painting was set by van Gogh's "Irises" at \$53.9 million in Sotheby's New York sale, while one of the greatest paintings by Degas, "Les Blanchisseuses," made only £7.48 million (\$13.6 million) on Nov. 30 at Christie's in London.

Indeed, there is considerable concern among dealers in every area. A majority of the leading professionals have "gone liquid" — as far as is possible for people whose business is to buy and sell. For the first time in years, they were playing second fiddle this fall.

Most striking is the preoccupation voiced by a professional who operates in a field that would seem to be better shielded than others. Thanks to its Japanese constituency — Chinese art from Shanghai to Ming — not only that, Giuseppe Eskenazi of London is the undisputed leader in his field. On Dec. 9 in New York he was the buyer of the Yuan 14th-

century dish in blue-and-white porcelain for \$1.1 million, and on Dec. 15 in London it was Eskenazi again who bought a Yuan dish of the utmost rarity for \$473,000 — for stock, he told me. Yet he scarcely breathes optimism.

"It is pure self-delusion to say that things are going to be all right and the best will sell as if nothing had happened. Billions of dollars have been wiped off the state. Of course there is less money available for buying art." But has his company been affected? "Yes, we have. We were selling absolutely major pieces of Chinese sculpture to two top U.S. museums. Both were getting the money from benefactors who decided that they could no longer afford it in view of their losses on the stock market."

Since then one of the pieces has been sold to a Japanese collector who happened to be in London, and whom Eskenazi had informed of the collapse of the earlier deal. It is a major Buddhist relief in the Lung Meit style, of which the Musée Guimet in Paris has the one other recorded example, according to the London dealer. The other piece is still with Eskenazi. Yet he views the cooling phase philosophically, almost approvingly. "Prices were so high it was crazy. Many speculators will leave. Collectors will be able to buy again."

Collector's Guide WHO IS P.C.D.? Owner sells studio collection by remarkable French expressionist (1890-1964) Nelson median average 30,000 FF.

AUCTION SALES SOTHEBY'S FOUNDED 1744 AUCTIONS IN GENEVA European Silver, Russian Works of Art, Fabergé, Gold Boxes and Miniatures

A German parcel-gilt tankard, David Stobbe. (Königsberg), c. 1670, 915gr.; 20.7 cm. high. Sold for SF24,000.

Helsinki Tuesday 19th January Copenhagen Wednesday 20th January Oslo Monday 25th January Skane Tuesday 26th January Stockholm Wednesday 27th January Hamburg Thursday 28th January Cologne Monday 1st February Frankfurt Tuesday 2nd February Munich Wednesday 3rd and Thursday 4th February Monaco Monday 8th February Brussels Wednesday 10th and Thursday 11th February Paris Tuesday 16th and Wednesday 17th February Vienna Thursday 18th and Friday 19th February Zurich Monday 22nd and Tuesday 23rd February Geneva Wednesday 24th February

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Vertical text on the right edge of the page, including 'ECONO', 'U.S. in 2000', 'Between Ha', 'N', 'B', 'Cultu', 'Dollar', 'Inter', 'Henry Rate', 'Inter', 'Henry Rate'.

Handwritten signature 'J. P. Cioli SA' at the bottom center of the page.

Statistical Index table with columns for various economic indicators like GNP, Retail Sales, etc.

ECONOMIC SCENE

U.S. in 2000: A Wider Gap Between Having and Not

By LEONARD SILK. NEW YORK — With the U.S. share of the world market in manufacturing, mining, and agriculture diminishing, what is the job outlook for American workers through the end of the century? To answer that question, the Labor Department commissioned the Hudson Institute, a think tank based in Indianapolis, to undertake research on employment, income, and occupational trends.

Workforce 2000, the institute's published volume on its findings, the most striking conclusion is that, even though the average standard of living will be rising, income distribution will widen as jobs for the least-skilled members of the labor force shrink and jobs for the most skilled grow rapidly.

The changes ahead are likely to intensify social and political tensions in the country. The study estimates that 25 million entrants to the labor force will be needed by the year 2000. Most of these will be nonwhite, female, or immigrant workers.

Native white males, who now constitute 47 percent of the labor force, will account for only 15 percent of the entrants to the labor force by the year 2000. But the report says that far stricter border controls might result in a major revolution in Latin America sends a huge number of immigrants thronging to the United States.

Hudson expects living standards for most Americans to rise slowly in the next 15 years. Its "baseline" or "surprise-free" projection calls for the economy to grow at an average rate of 2.9 percent a year while the rest of the world grows 3.1 percent.

Recognizing the hazards of long-range forecasting, it offers two other scenarios. The first is a worldwide glut of labor, production capacity in food, minerals, and manufactured goods. The second is an optimistic forecast of a "technology boom," with the United States rebounding to productivity growth rates comparable to the first two decades after World War II.

Under this second scenario, coordinated international monetary, fiscal, and trade policies would smooth world business cycles and Third World countries would get back on the growth path, and the U.S. growth rate would rise to 4 percent a year. In the low scenario, the U.S. growth rate would drop to 1.6 percent a year.

BUT REGARDLESS of which scenario is closest to reality, Hudson concludes, jobs in heavy industry will continue to decline, as productivity gains wipe out jobs and manufacturing declines as a share of gross national product. Whereas manufacturing produced 30 percent of all wealth in 1955 and 21 percent in 1985, its share is forecast to decline to less than 17 percent in 2000.

Thus, the shift to services such as health care, education, retailing, and government will have to provide all the new jobs if living standards are to advance. It will also have to increase its own rate of productivity growth. This shift should also reduce the volatility of the business cycle, as the service industries oscillate less in output and employment than does manufacturing.

But wages will become less equally distributed, since service jobs have more high and low earners and fewer in the middle. To keep the American economy growing, it will become even more crucial to keep the world economy growing. The study implies that recent U.S. efforts to induce Japan, West Germany, and other major industrialized democracies to stimulate economic growth is not a temporary need, brought on by America's trade and dollar troubles, but a requirement for the long run.

The Hudson report comes too late for dramatic initiatives by the Reagan administration. But it may nevertheless provide an agenda for potential candidates in both parties.

Texaco Sets Big Charge

Amount Reflects Pennzoil Accord

NEW YORK — Texaco Inc. said it is to take a four-quarter charge of \$2.8 billion after taxes to reflect the \$3 billion settlement reached with Pennzoil Co. last month.

The company also said its results for the quarter would reflect a reduction in the value of assets and provisions for reserves of about \$2 billion in expectation of its planned restructuring.

The statement, released after a board meeting, said Texaco plans to raise at least \$3 billion through sales of assets to reduce its debt.

Texaco's president and chief executive officer, James Kinneer, said that the company "is aggressively moving forward with restructuring plans involving the sale of ongoing operating assets and joint ventures in downstream operations."

"The restructuring will focus on a rearrangement and downsizing of refining and marketing assets," he added.

The company said preliminary contracts have been made with prospective purchasers of some assets.

The restructuring also calls for the sale of crude oil and natural gas reserves totaling about 60 million barrels of petroleum equivalent for which the company's rate of return is unsatisfactory, Texaco said.

The company said it also would take charges for an expected increase in income taxes, involving a loss of foreign tax credits, and for disputed claims with the Energy Department, relating to oil and price regulations in the 1970s.

Texaco last month settled a \$10.3 billion dispute with Pennzoil by agreeing to pay the company \$3 billion. The settlement was part of a plan for Texaco to emerge from bankruptcy proceedings.

The plan is subject to confirmation by the bankruptcy court and to approval by holders of two-thirds of Texaco's shares outstanding. Texaco said it plans to restructure after it emerges from the bankruptcy proceedings.

An Apostle of Even Higher Deficits

U.S. Economist Calls Them Key To Prosperity

By Louis Uchitelle. CHICAGO — Among economists, Robert Eisner stands out as the man who loves the federal budget deficit.

The new president of the American Economic Association, which represents economists from universities, think tanks and the government, feels so strongly that America's economic health depends on deficits that he would even raise the current one.

"I'd be willing to add \$100 billion to the deficit, if it spent the money on productive things, like taking kids from the ghetto and turning them into productive citizens," said Mr. Eisner, who has taught economics at Northwestern University for 35 years.

That is an against-the-grain proposal in a nation recently accustomed to thinking of the deficit as the road to national impoverishment, inflation, higher interest rates and recession. So Mr. Eisner takes steps to be convincing.

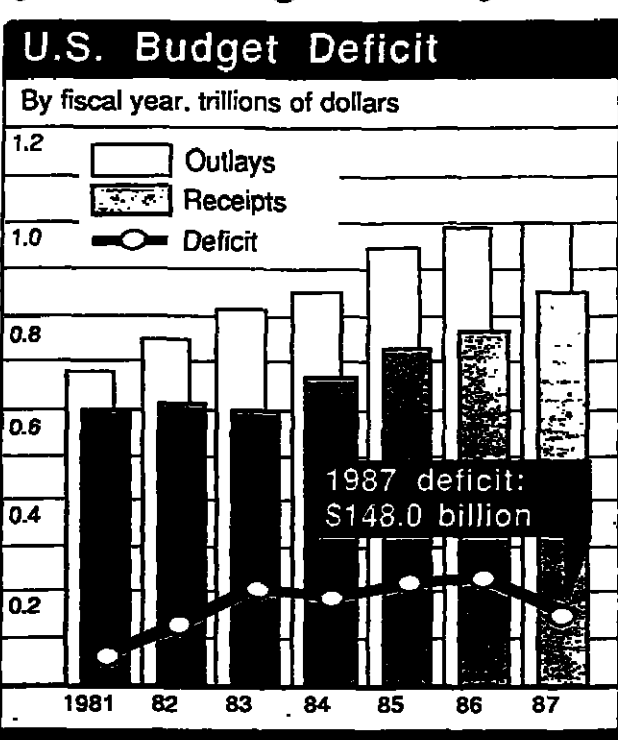
Last week, at the association's annual conference here, the new president distributed three eye-catching charts to hundreds of economists jammed into a ballroom to hear him debate the deficit with his colleagues.

One chart traced the relationship of budget deficits and the gross national product, the total value of a nation's goods and services: The two have grown and shrunk in tandem since 1960. Another noted that the jobless rate has risen in periods of budget surpluses and fallen as deficits developed.

The third and biggest chart showed that budget deficits and the Dow Jones industrial average have risen and fallen together since 1956.

"Those that have trumpeted budget deficits as the cause of the October crash would do well to think again," Mr. Eisner said, noting that the deficit narrowed from \$221 billion in fiscal 1986 to \$148 billion the following year.

Few in the audience agreed



Robert Eisner

with Mr. Eisner. But they were familiar with the sermon of their 65-year-old colleague.

Among other things, Mr. Eisner likes to argue that some budget expenditures, such as spending on roads and education, should be reclassified as capital investments that add to the national wealth. His detailed scholarship, laid out last year in a book, "How Real is the Federal Deficit?" has even begun to alter the way economists measure the budget.

"He isn't changing anybody's mind, but he is raising ideas we are all considering," said Charles L. Schultz, a Brookings Institution economist and a former chairman of the President's

Council of Economic Advisers. Beyond that, Mr. Eisner's presence in the prestigious economic association post seems to reflect a growing willingness among American economists to reject the free-market policies of the Reagan administration.

Mr. Eisner is a devotee of John Maynard Keynes, the British economist whose views have dominated economic thought since the Depression and guided government policies until the Reagan years.

Keynesians believe that free markets do not necessarily produce enough purchasing power to sustain production and employment. Government spending, they argue, is sometimes necessary to put more money into people's hands.

In such a view, deficits can be a plus. Nor is inflation viewed as a negative, if rising prices and profits stimulate capital investment and add to production and employment. Expansion of output and available jobs is the key.

"If it is spending to finance the Nicaraguan rebels," Mr. Eisner said, "then it is a foolish deficit."

Mr. Eisner does not worry much about the falling dollar — See EISNER, Page 9

Jobless Rate In U.S. Falls to An 8-Year Low

WASHINGTON — The U.S. civilian unemployment rate dropped 0.1 percentage point in December to 5.8 percent, its lowest level since July 1979, the Labor Department said Friday. It said that the economy created three million new jobs last year.

The number of jobs increased by 326,000 in December, raising total employment to 115.5 million, the department said. In December 1986, the jobless rate stood at 6.7 percent.

The number of unemployed people, calculated by a survey of households across the nation, dropped by 112,000 for the month to 6.98 million, the department said.

In contrast to the overall figures, employment in the retail sector was flat for the second month in a row. At general merchandise stores, job fell by a seasonally adjusted total of 35,000 in November and December.

Some economists said that December's statistics were further evidence that fears of a swift slowdown in spending and production because of October's stock market crisis were largely misplaced.

But Janet L. Norwood, the department's commissioner of labor statistics, said that more time was needed to determine whether the retail-trade figures reflect changed consumer attitudes as a result of the market plunge.

Employment in finance, insurance and real estate was also flat in December. As with retail trade, Ms. Norwood said, more time is needed to determine the role played by the stock collapse in these sectors.

The bureau said that of the 326,000 new jobs created in December, about 40,000 were in manufacturing and a like number in health services.

"Since last December, the nation's factory payrolls have risen by more than 400,000 jobs, mostly in just the last six months," Ms. Norwood told the congressional Joint Economic Committee.

Consistent with the manufacturing rebound, men benefited most in the 1987 job market. Their unemployment rate dropped from 6.6 percent in December 1986 to 5.6 percent last month.

The rate for women, also at 6.6 percent a year before, was down to 5.9 percent last month.

The rate for teenagers dropped from 17.5 percent in December 1986 to 16.1 percent, while the rate for black teenagers was 33.4 percent last month, down from 36.6 percent a year before.

Meanwhile, orders to West German manufacturers fell a seasonally adjusted 0.9 percent in November from October, the Economics Ministry said, citing preliminary figures. Orders fell in October by an identical amount.

On a seasonally adjusted basis, unemployment rose to 2.62 million in December from 2.24 million in November, and was up 4 percent, or 90,000 people, from the last month of 1986.

"After a long period of stagnation, the job market slightly deteriorated at the end of the year," said Heinrich Franke, the president of the Labor Office.

"It is not yet possible," he said, See GERMAN, Page 11

German Jobless Rate Surges

By Ferdinand Protzman. FRANKFURT — The number of unemployed West Germans rose sharply in December and industrial orders slipped in November, the government reported Friday. Officials and economists said that the figures reflected the stock market's collapse and the recent plunge of the dollar against the Deutsche mark.

The Federal Labor Office reported that unemployment in December, unadjusted for seasonal factors, rose to 2.31 million people from 2.13 million in November.

The December jobless total represents 8.2 percent of the work force, compared with 7.5 percent in November.

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Currency Rates

Table of currency rates for various locations including Amsterdam, London, Tokyo, etc.

Other Dollar Values

Table of other dollar values for various currencies like Australian dollar, Canadian dollar, etc.

Forward Rates

Table of forward rates for various currencies and terms.

Interest Rates

Table of interest rates for various currencies and terms.

Key Money Rates

Table of key money rates for various currencies.

Asian Dollar Deposits

Table of Asian dollar deposits for various currencies.

U.S. Money Market Funds

Table of U.S. money market funds.

Sanyo to Export Televisions Made in Arkansas to Japan

By John Burgess. WASHINGTON — Sanyo Electric Co. of Japan has joined the ranks of foreign companies planning to export American-made goods to their own countries, saying it will send back 5,000 to 6,000 luxury television sets made at its factory in Arkansas.

A Sanyo spokesman in Tokyo said Thursday that the electronics company, one of Japan's largest, wanted to introduce the sets' high-quality wooden cabinets to the Japanese market. However, analysts saw it as another effect of the weak dollar, which in many cases has made production in the United States cheaper than in Japan.

In recent months, a number of Japanese companies have decided to send back home some of the output of American plants meant to supply the U.S. market, including Honda Motor Co. and Mazda Motor Co. (cars), Hitachi Ltd. (computer disk drives), Sony Corp. (TV tubes) and Yamaha Motor Co. (golf clubs).

In relative terms, the volume remains small; about 21 companies are involved, according to the Japan External Trade Organization. But in view of the \$60 billion U.S. trade deficit with Japan in 1986, it represents an intriguing flow against the general tide of trans-Pacific commerce.

Japan Offers Cheesecake By Mail to Ease Dispute

TOKYO — Japan offered a tiny concession Friday in a long-running dispute over its reluctance to buy more American food: cheesecake and other gourmet delicacies by mail.

The Ministry of Posts and Telecommunications unveiled a plan, called "Hometown in U.S.A.," that would allow consumers to import American food by mail through 23,000 post offices across Japan, including oranges, papayas, tuna, lobsters, crabs, steaks, cheesecake and smoked salmon.

By paying 28,000 yen (\$215) a year, consumers would get four packages a year from the United States, each containing 7,000 yen worth of goods, officials said.

The ministry predicted that 15,000 consumers would participate in the plan, which would offer prices more than 10 percent below those in Tokyo department stores.

Meanwhile, Agriculture Minister Takashi Sato indicated Friday that Japan would accept a General Agreement on Tariffs and Trade ruling to lift agricultural import controls. "Japan must not defer any longer and must not be isolated on the international scene," he said.

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Vertical text on the left margin: GO! GO! GO! NICE! etc.

Vertical text on the right margin: Best Asset on adding, etc.

NYSE Most Actives table with columns for stock symbol, volume, high, low, and change.

Market Sales table showing volume and value for various market segments.

NYSE Index table showing high, low, close, and change for various market indices.

Friday's NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table listing advanced, declined, and untraded issues.

NASDAQ Index table showing composite, financial, and insurance indices.

AMEX Most Actives table listing top trading volume stocks.

Dow Jones Bond Averages table showing yields for various bond categories.

NYSE Diary table listing advanced, declined, and untraded issues.

Odd-Lot Trading in N.Y. table showing buy and sell orders.

Dow Jones Averages table showing high, low, close, and change for major indices.

Standard & Poor's Index table showing high, low, close, and change.

NASDAQ Diary table listing advanced, declined, and untraded issues.

AMEX Stock Index table showing high, low, close, and change.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

DOW: Index Plunges 140.58 Points

Main article text describing the market crash, including quotes from analysts and details of the trading session.

Continuation of the main article text, focusing on the impact of the budget deficit and market sentiment.

Large table of stock prices with columns for stock symbol, high, low, close, and change.

Table of stock prices, likely a continuation of the main table.

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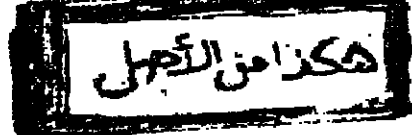
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Vertical advertisements on the right edge of the page, including 'Budget Deficit', 'Japan Drafts', and 'Friday's OTC Prices'.



Friday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: High, Low, Stock, Div. Yld. PE, 52-Week High, 52-Week Low, Open, Close. Lists various stocks and their performance.

(Continued)

Table with columns: High, Low, Stock, Div. Yld. PE, 52-Week High, 52-Week Low, Open, Close. Continuation of stock market data.

NYSE Highs-Lows

Table with columns: NEW HIGHS, NEW LOWS, AMERICAN STOCKS, FOREIGN STOCKS, COMMODITIES, CURRENCY.

3 Charged With Fraud In Swedish Options Case

STOCKHOLM — Three Swedish employees of Stockholm's city treasury department who lost 440 million krona (\$73 million) in unauthorized trading in money markets futures and options were charged Friday with fraud.

The three were charged in Stockholm District Court with exceeding their official duties by engaging in speculative investments in late 1986 and early 1987. The losses were discovered last February.

Their activities fell outside their official duties and constituted unreasonable risk-taking with municipal funds, the chief prosecutor told the court on Friday.

Only one of the three — the former city treasurer, Jan Thunved, who was forced to resign when the affair became known — has agreed to be named. Under Swedish law, defendants can remain anonymous throughout the legal process.

The three face up to three years in jail if convicted. The trial is expected to take place in the first half of this year.

Japanese Car Sales Hit Record in 1987

TOKYO — Japanese domestic vehicle sales rose 6.1 percent to a record 4.34 million in 1987, surpassing the previous record of 4.23 million in 1978, the Japan Automobile Dealers Association said Friday.

Sales of foreign cars in Japan also rose to a record 97,750 in 1987, up 43 percent from the previous record of 68,357 in 1986, the Japan Automobile Importers Association said.

A spokesman for the dealers attributed the record domestic sales mainly to the launch of new car models, as automakers readied for a Tokyo motor show in October.

The government's increased spending on public works boosted new truck sales, he said, while a booming stock market for most of the year increased interest in luxury cars, including imported models.

Domestic vehicle sales in 1987 totaled 3.15 million cars, up 4.6 percent from 1986; 1.17 million trucks, up 10.3 percent; and 22,018 buses, up 1.9 percent.

Sales at Toyota Motor Corp. rose 6.9 percent to 1.87 million, while sales at Nissan Motor Co. edged up 0.8 percent to 1.02 million. Honda Motor Co.'s sales jumped 10.2 percent to 340,329, and Mazda Motor Corp.'s gained 4.5 percent to 331,125.

The importers group said that the higher import figure reflected a narrowing of the price gap between foreign and Japanese cars because of the strength of the yen. It also cited lower loan rates provided by foreign dealers and the increasing popularity of luxury cars.

West German cars accounted for 75.9 percent of the 1987 total, rising 37.8 percent to 74,289. British-made cars had 6.9 percent of the import market, Swedish cars had 4.8 percent, French cars had 4 percent and Italian cars had 3.9 percent.

Sales of U.S.-made cars climbed 70.8 percent to 4,006, or 4.1 percent of the 1987 total. General Motors Corp.'s sales rose 54.7 percent to 2,829; Ford Motor Co.'s jumped 112.6 percent to 863; and Chrysler Corp.'s climbed 122 percent to 131.

Kuwait Tells U.K. Its Role At BP Is Just As Investor

LONDON — The British government said Friday that Kuwait had given it assurances that the Gulf state had no ambition to control British Petroleum Co. and did not intend to press for any management role in the company.

Kuwait, through its London-based investment agency, the Kuwait Investment Office, has built up a stake of at least 18.35 percent in BP, the world's third-largest oil company.

BP's newly issued, partly paid shares fell 1.5 pence to 78 pence (\$1.40) in afternoon trading on the London Stock Exchange after the statement was issued. BP's regular shares were off 5 pence at 264 pence.

Kuwait told the British government that the "holding in the company is intended as a long-term investment," the Treasury said.

A Treasury spokesman said the assurance was received before Christmas in discussions with senior Kuwaiti officials. He did not elaborate.

The statement echoed earlier assurances from the Kuwaiti office about the BP purchases, which began in November.

The purchases had raised speculation that Kuwait might seek management control of the company or launch a full takeover bid for BP.

The shares were issued in October, when the government sold off its 31.5 percent stake in the company, along with new stock to raise funds for BP, for £7.2 billion. The sale was a flop with investors because it coincided with the stock market collapse.

Investors were asked to pay a first installment of 120 pence for each of the shares under a three-stage plan. The partly paid share price since has hovered at just above a 70-pence floor price set by the Bank of England.

The bank offered to repurchase shares at that level. However, fewer than 2 percent of the new shares were sold back to the bank by the time the offer expired Wednesday, the Treasury said.

EISNER: Leading Economist Sees High Deficits as Key to U.S. Prosperity

(Continued from first finance page) he would let it drop even more. Nor is he too concerned about rising interest rates — he thinks the Federal Reserve should keep rates down by supplying enough money to accommodate growth.

And he is not overly worried about inflationary pressures — unemployment, he says, is still too high for inflation to develop, and too many factories are idle.

His chief concerns are economic growth and full employment, concerns that stem from his view that economics should be used "to make the world a better place and not simply as an analytical tool."

Mr. Eisner considers himself a Democrat, though he sometimes votes Republican. He was an adviser to George S. McGovern when the former Democratic senator ran for president; he liked the candidate's foreign policy views and strong support for civil rights. "His eyes would glaze over when we talked about economics," Mr. Eisner said.

Mr. Eisner's eyes didn't light on economics until relatively late in his education. After high school, he earned a bachelor's degree in sociology from City College of New York, and a master's from Columbia University.

He served in the army during World War II and stayed abroad after the war to study in Paris. When he returned to the United States, he was drawn to the economics department at Johns Hopkins University in Baltimore. That was partly because his new wife, Edith, was teaching at the University of Maryland, partly because Johns Hopkins did not have a graduate sociology program and partly because Mr. Eisner was inspired by Evsey Domar, a Russian émigré and Johns Hopkins professor "who taught Keynes beautifully."

In 1952, after teaching at Johns Hopkins and the University of Illinois, Mr. Eisner went to Northwestern, settling near the campus and raising two daughters.

Mr. Eisner first won attention in the 1970s with a book, "Factors in Business Investment," which argued that corporate expectations of profitability and demand determine the level of capital investment. Interest rates, taxes and monetary policy — assigned key roles by free-marketers — are secondary, he said.

In later articles and books, Mr. Eisner has continued his Keynesian themes, emphasizing the crucial standard of growth.

He argues that the government should keep its books as business does, with one set of figures for operating expenses and another for capital investment, including highways, education and other projects that enhance the nation's assets. Since business does not count

Assubel Counters Takeover Move

BRUSSELS — The Belgian insurance group Assubel Vie SA, fighting an unwelcome takeover bid from Groupe AG, a rival company, has named a group of three so-called white knights to help it.

Assubel, the country's third-largest insurer, announced its defensive strategy after Belgium's Banking Commission, which oversees takeovers, ruled that statutes allowing Assubel's board effectively to veto a hostile bid were valid.

The Assubel board said Thursday that it had put together a consortium of three companies prepared to buy stock from Assubel shareholders for 6,000 Belgian francs (\$175) a share, the price offered by Groupe AG.

Two are Belgian holding companies, Groupe Bruxelles Lambert and COBEFA. The third is the French state-owned company AGF, Groupe des Assurances Générales de France.

Assubel's discussions with AGF on strengthening ties between them had prompted Groupe AG, concerned about a French invasion of the Belgian market, to make its bid.

The battle for control of Assubel has pitted Groupe Bruxelles Lambert, with a 4.2 percent stake, against Belgium's most powerful holding company, Société Générale de Belgique SA. Société Générale holds about 10 percent of Assubel, but also owns 5 percent of Groupe AG.

Assubel said that it would use its new defensive plan only if a significant number of its shareholders wanted to accept Groupe AG's offer. The offer expires on Jan. 15.

Under Belgium's takeover rules, Groupe AG, Belgium's No. 2 insurer, could then raise its offer. Assubel's white knights would have to match the higher price to avoid defeat.

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Spear, Leeds Withdraws As J.P. Morgan Specialist

The exchange said that it had been "reviewing the performance" of Spear, Leeds in its handling of the stock on Oct. 20.

Wall Street officials said that Spear, Leeds had acted only because it was confronted with the possibility of harsher sanctions, including a large fine and the suspension of some of its officers.

Carl Hewitt, assistant general counsel of Spear, Leeds, said that the firm had no comment.

The loss of the right to act as the sole specialist in a stock is regarded in the securities business as a harsh and rare measure.

During the stock market plunge, there was extraordinary volatility in certain stocks, some of it at the discretion of specialists. The jumps in J.P. Morgan were so extreme that the company asked the exchange to investigate the moves.

J.P. Morgan stock ended trading on Oct. 19 at \$27.75 after tumbling that day. The next day, the stock was opened by Spear, Leeds at \$47, an extraordinary leap in price.

What concerned the exchange was the fact that the price declined sharply from that level throughout Oct. 20, indicating that the opening was much too high. That might have presented an opportunity for the specialist to profit.

BRADY: Report on Markets Calls for Single Agency

(Continued from Page 1) two-inch thick report before making any comment on it.

"To a large extent, the October break can be traced to the failure of different market segments to act as one," Mr. Brady said.

On the issue of "circuit breaker mechanisms," Mr. Brady said the panel was not spelling out specific limits for price swings or times when trading should be halted.

"These things have to be worked on," he said. "We do not have any kind of auto-pilot system."

He said, however, that a new system should be put in place "ahead of time" in all markets, recognizing that a shock in one market will quickly ripple through other markets.

The commission report said that what made the Oct. 19 collapse extraordinary "was the speed with which prices fell, the unprecedented volume of trading and the consequent threat to the financial system."

The report concluded that the stock plunge was "triggered" by specific events: an unexpectedly high U.S. trade deficit report, higher interest rates and concerns about tax legislation.

These concerns combined to force the collapse of stocks of a number of companies that were takeover candidates, the report said.

"This initial decline ignited mechanical, price-insensitive selling by a number of institutions employing portfolio insurance strategies. These strategies, such as selling of futures contracts based on indexes of stocks, created a snowball effect on other stocks and financial markets.

The report concluded that there was little similarity between the 1987 crash and that of 1929 which set the stage for the Great Depression.

"This was not any kind of broad view that the world is coming to a halt or America's place in it is badly held," Mr. Brady said. "It just isn't that."

On Thursday, there had been confusion over the report because of conflicting advance assessments of what it would contain. The Los Angeles Times said that it stopped short of recommending any major restructuring of the markets or regulatory agencies. The Wall Street Journal, however, said the commission would recommend a "radical overhaul" of the regulation of stock and other financial markets.

In advance of the report's release, many Wall Street traders and analysts portrayed some of the report's recommendations as overly restrictive.

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Computervision Rejects Takeover Bid by Prime

BOSTON — Computervision Corp. said Friday that its board has rejected an inadequate \$400 million unsolicited takeover bid from Prime Computer Inc.

Computervision asked stockholders not to tender their shares to Prime, which offered \$13.50 for each of Computervision's 29 million outstanding shares. Prime's offer extends to Jan. 26. Computervision closed at \$14.125 Thursday on the New York Stock Exchange.

Ericsson Sells U.S. Division to Alcatel, BICC

STOCKHOLM — Telefon AB LM Ericsson said Friday that it was selling its U.S. Continental Cables unit to Alcatel NA of the United States and Britain's BICC PLC for an undisclosed sum.

The company said that profits in the U.S. cable business had been unsatisfactory during 1987.

Ericsson's cable divisional head, Lars Berg, said that Alcatel NA will buy the Ericsson telecommunication business based in Kansas City and Tarboro, North Carolina. BICC will take over the York, Pennsylvania, special power cable division.

Mr. Berg said that the sale of the unprofitable U.S. division would be completed by the end of March. "The sale is a result of the unsatisfactory results recorded by the U.S. cable division during 1987," he said.

Mr. Berg said that Ericsson's non-U.S. cable interests would not be affected by the sale. Ericsson Cable had sales of 3.8 billion kronor (\$639 million) in 1986, a third of which came from the United States.

Hong Kong Banks Cut Rates On Local Dollar Time Deposits

HONG KONG — Hong Kong banks have stopped or sharply reduced interest payments on some deposits as the British colony tries to curb speculation that it will revalue its currency.

The Shanghai Commercial Bank, a small local bank, said it would not pay interest on time deposits of less than one month. The Bank of East Asia quoted interest at an annual rate of 1/64 percent on one-week deposits, though bigger banks said they were still paying 0.5 percent on small deposits, the rate set by the local bank association.

The moves occurred amid talks by the bank association on the possible introduction of negative interest rates, or fees, on big deposits. The United States has been pressing Hong Kong to revalue its currency, currently pegged at 7.8 to the U.S. dollar, to help cut the U.S. trade deficit.

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338: The Biggest

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U.S. Futures

Via The Associated Press

Table of U.S. Futures prices including WHEAT (CBT), SOYBEAN MEAL (CBT), and SOYBEAN OIL (CBT) with columns for contract, price, and change.

Table of Livestock prices including CATTLE (CME) and PIGS (CME) with columns for contract, price, and change.

Currency Options

Table of Currency Options prices for various currencies like British Pounds, Japanese Yen, and Swiss Francs.

Table of HOOGS (CME) and PORK BELT (CME) prices.

Table of COFFEES (NYMEX) and SUGAR (NYMEX) prices.

Table of METALS prices including COPPER (COMEX) and ALUMINUM (COMEX).

Financial

Table of Financial data including U.S. T. BILLS (IMM) and U.S. TREASURY (CBT).

Table of MUNICIPAL BONDS (CBT) prices.

Table of EURO DOLLARS (IMM) and CANADIAN DOLLAR (IMM) prices.

Table of GERMAN MARK (IMM) and JAPANESE YEN (IMM) prices.

Industrials

Table of Industrials prices including LUMBER (CME) and COTTON (NYMEX).

Friday's AMEX Closing - Tables include the nationwide prices as to the closing on Wall Street and do not reflect late trades elsewhere.

Table of AMEX stock prices including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of Stock Indexes including NYSE COMP. INDEX (NYSE) and VALUE LINE (KBST).

Commodity Indexes

Table of Commodity Indexes including S&P 100 Index Options and DM Futures Options.

Table of 12 Month High Low Stock prices.

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Paris Commodities

Table of Paris Commodities prices including SUGAR and COCOA.

London Commodities

Table of London Commodities prices including SUGAR and COCOA.

Dividends

Table of Dividends for various companies.

Spot Commodities

Table of Spot Commodities prices including Aluminum and Coffee.

Hanover to Sell Institutional Unit

New York Times Service: NEW YORK — Manufacturers Hanover Corp. said it will withdraw from the institutional money management business...

London Metals

Table of London Metals prices including ALUMINUM and COPPER.

S&P 100 Index Options

Table of S&P 100 Index Options prices.

DM Futures Options

Table of DM Futures Options prices.

GM Plans to Eliminate 1,900 Jobs in California

DETROIT — General Motors Corp. said Friday that it planned to eliminate 1,900 jobs at its Van Nuys, California, assembly plant...

U.S. Treasuries

Table of U.S. Treasuries prices including 3-month bill and 1-year bill.

Vertical advertisements on the right margin including 'Budget Deficit', 'Japan Drafts', and 'Friday's OTC Prices'.

CURRENCY MARKETS

Budget Deficit Fears Put End to Dollar's Rally

NEW YORK — The dollar slumped against major currencies Friday as reawakened fears about the U.S. budget deficit halted its four-day advance.

London Dollar Rates table with columns for City, Bid, Ask, and other market data.

The dollar also closed in New York at 1.3405 Swiss francs, down from 1.3540 on Thursday, and at 5.5315 French francs, sharply down from 5.6000.

robust economy sucks in more imports.

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POLICY: What the G-7 Means

(Continued from Page 1)

change rates." And they agreed "to continue to cooperate closely in monitoring and implementing policies to strengthen underlying economic fundamentals to foster stability of exchange rates."

France to Sell 3 Banks After Matra

PARIS — Finance Minister Edouard Balladur said the privatization of three regional units of the state banking network, Crédit Industriel et Commercial, would go ahead soon after the sale of the electronics group, Matra.

Euro-Commercial Paper

Table of Euro-Commercial Paper rates for various maturities (15-45 days, 46-75 days, 76-105 days, 106-135 days, 136-165 days) with columns for Issuer, Bid, Ask, and other details.

Japan Drafts Tighter Controls Against Insider Trading

TOKYO — Japan's Finance Ministry is drafting a revised version of the Securities Exchange Law aimed at tightening controls on insider trading, a ministry official said Friday.

The investigation by the Osaka Stock Exchange, where Taseho is listed, was unable to find evidence of insider trading as currently defined, although it said that questionable trading had occurred.

Mr. Suzuki said possible legal revisions to be discussed at a Finance Ministry advisory committee meeting included the following:

Friday's OTC Prices table with columns for Stock, Div. Yld., Sales, High, Low, and P.A.M. Ctr.

Table of stock prices for various companies, including columns for Stock, Div. Yld., Sales, High, Low, and P.A.M. Ctr.

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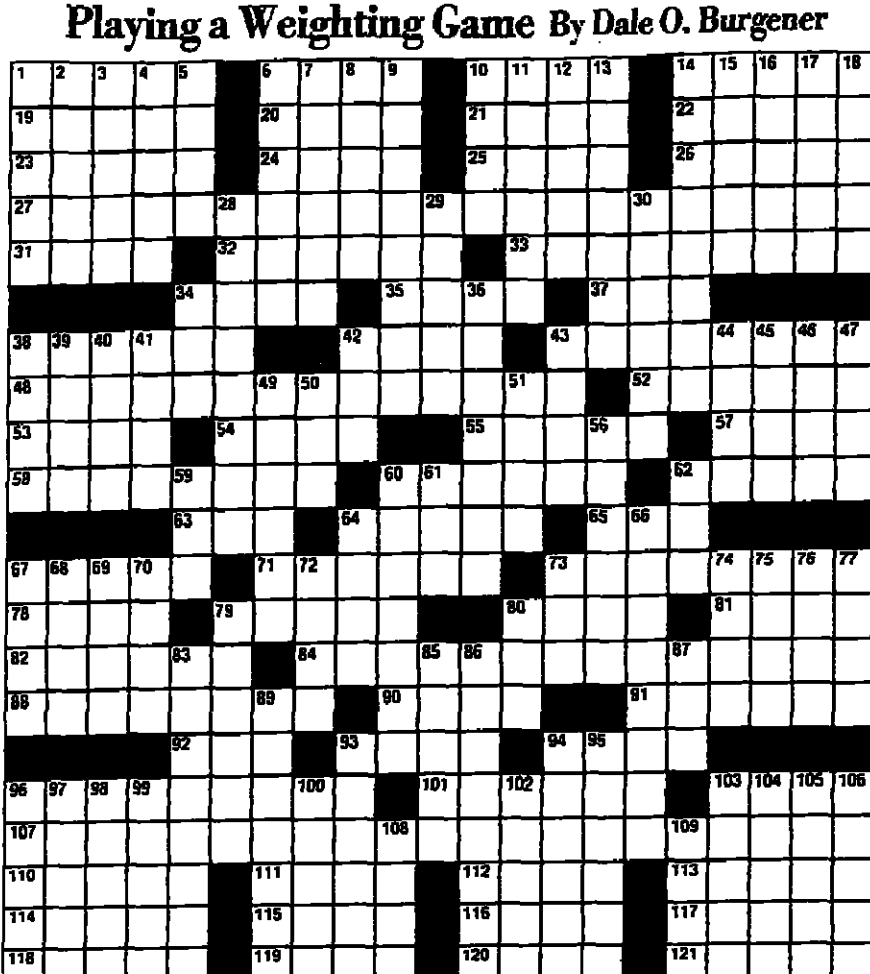
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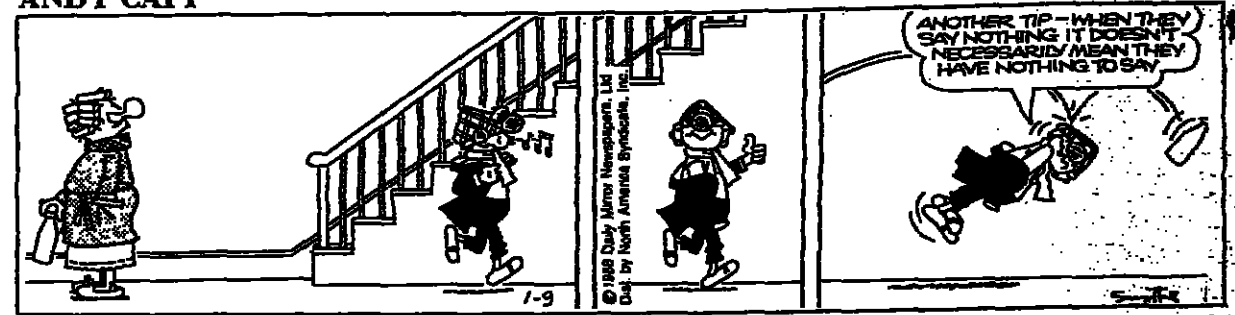
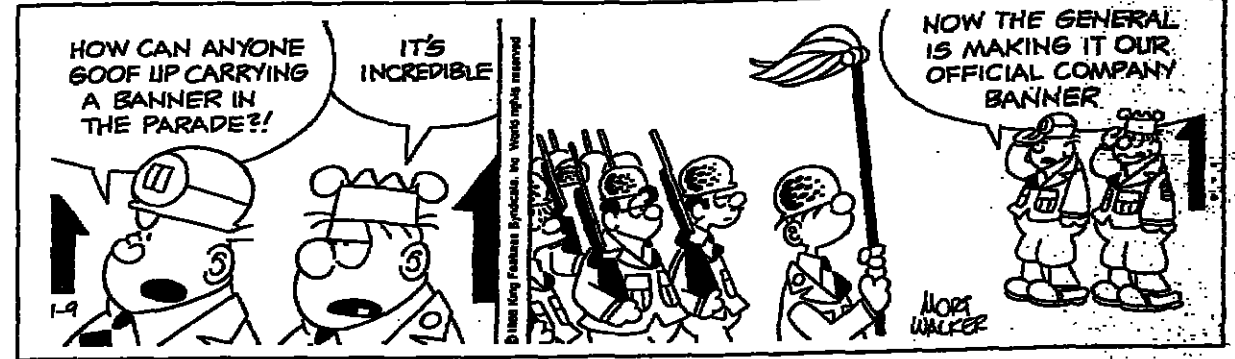
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ACROSS and DOWN crossword puzzle clues including 'Cousteau's gear', 'Brazilian blackbirds', and 'Fawkes Day, Nov. 5 in England'.



Answers to the crossword puzzle, such as 'Spur', 'corp', 'Long-gone Venezuelan', etc.

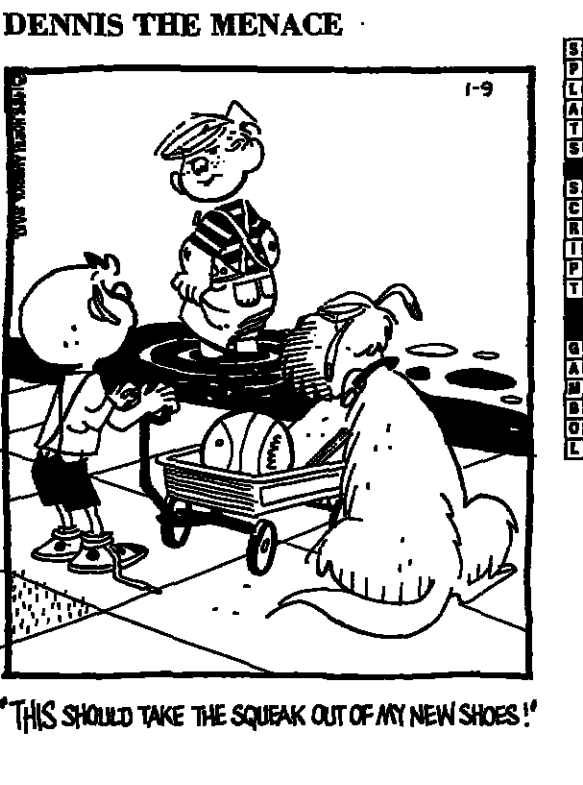


THE ITALIAN AMERICANS
By Allan Schoener. Commentary by A. Bartlett Giamatti. Illustrated. 256 pages. \$49.50.

BOOKS

It is hard to see how anything short of a literary masterpiece could compare in impact with the succession of images that confront the reader...

phy of Garibaldi (about his stay on Staten Island), from the memoirs of Luigi Barzani, brought to the United States as a boy in the 1920s...



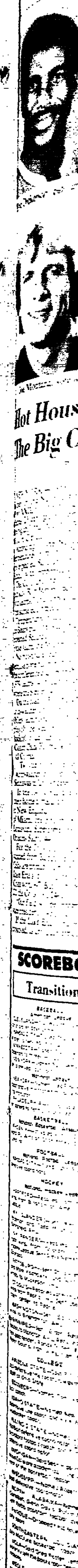
Solution to Last Week's Puzzle: A grid of letters forming words like 'STRAFE', 'BELIEVE', 'LEWIS', etc.

There were also prejudices to overcome, and no doubt there still are. (Schoener's contributors have a good deal to say about the damage done by the myths that have sprung up around Italian involvement in organized crime.)

WEATHER: Table with columns for EUROPE, ASIA, AFRICA, LATIN AMERICA, NORTH AMERICA, MIDDLE EAST, OCEANIA.

World Stock Markets: Table listing stock prices for Amsterdam, London, Madrid, Milan, Paris, Frankfurt, Zurich, and Tokyo.

Table listing stock prices for various international markets including Sao Paulo, Singapore, Stockholm, Sydney, Zurich, and Tokyo.



SPORTS

NFL's Chosen Few This Week Include 3 Who Were Unpicked

By Gerald Eskenazi

NFL PREVIEW

NEW YORK — Three largely unheralded underdogs remain in contention in the National Football League playoffs this weekend. But if the Minnesota Vikings, the Indianapolis Colts and the Houston Oilers are the surprises, the Chicago Bears, the San Francisco 49ers, the Washington Redskins, the Denver Broncos and the Cleveland Browns are recognizable big-name teams.

Defense — The teams yielded the fewest points in the American Conference, with the Colts just one better than the Browns. The Browns are getting their leading tackler, linebacker Mike Tomson, back from a knee injury just in time. But Bob Golic, the veteran nose tackle and Pro Bowl player, is out. Without a big pass rush, they still have managed to stop opponents, thanks in part to two Pro Bowl cornerbacks, Frank Minnifield and Hanford Dixon.

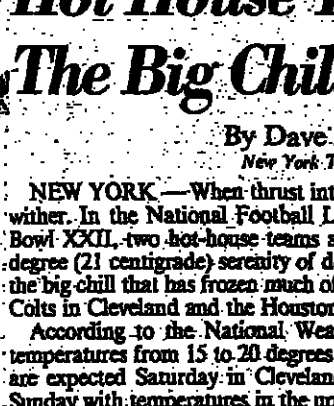
Offense — The 49ers led the league in rushing and Joe Montana, who will start despite a recurring hamstring problem, led the league in passing. Jerry Rice set a league record with 22 touchdowns receiving and ran for 1 more. Everyone is healthy except for one of the three tight ends, Ron Heller. None of the 49ers' last 88 passes (26 by Montana, 62 by Steve Young) have been intercepted.

Defense — A limited Jim McMahon, with his shoulder injury, starts at quarterback for the Bears, hoping he won't have to throw. Walter Payton gets another chance to run down memory lane with Neal Anderson sidelined. Payton has run in cold weather before and he had his best game of the season in the finale, with 82 yards on 20 carries against the Raiders. Doug Williams is the Redskins' quarterback instead of Jay Schroeder. Williams still has the image of a free-wheeling passer, but he completed 56.4 percent, and had only five intercepted while throwing for 11 touchdowns. He is protected by a top line.

Offense — Suddenly, running back Altonzo Highsmith, the Oilers' No. 1 draft pick, is coming along to complement Mike Rozier. Highsmith averaged more than 6 yards a carry with 74 on 17 runs against the Seahawks. Warren Moon was only a 50 percent passer in the regular season, but completed almost two-thirds in the wild-card game. His receivers, Ernest Givins and Drew Hill, are clever and dangerous. The Broncos' Jerry Elway allows everyone else in the offense to be more productive, and from the new shotgun formation he seems to be even more dangerous. Denver used the formation about half the time as it won six of its last seven. Elway amassed more than 3,000 passing yards for the third straight season and led quarterbacks in rushing as well. Sammy Winder ran for 741 yards as the Broncos set a team record for yards gained.



Eric Dickerson: can fumble

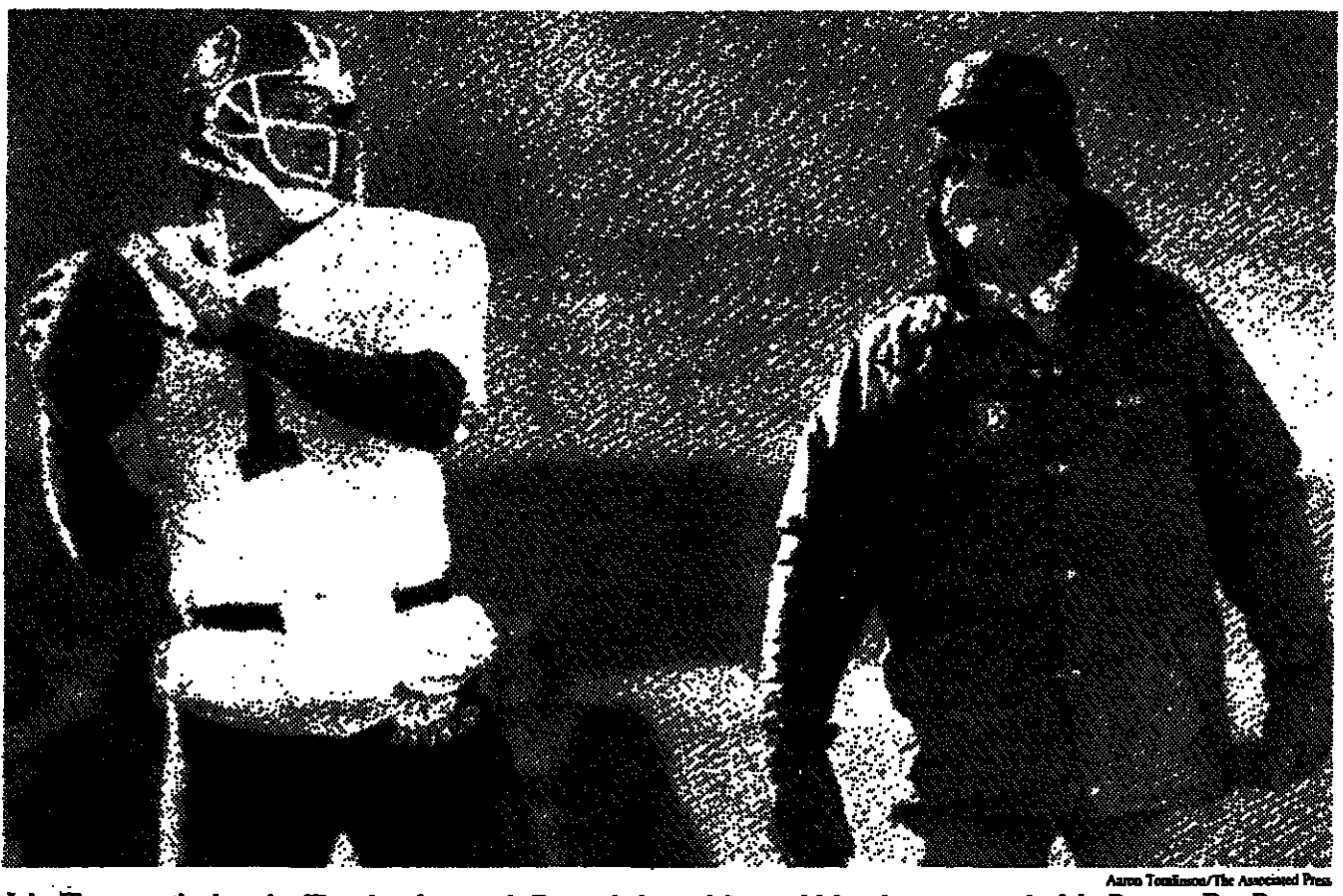


Joe Montana: sore leg

Hot House Teams Face The Big Chill in Playoffs

By Dave Anderson

NEW YORK — When thrust into the cold, hot-house plants quickly wither. In the National Football League playoffs leading up to Super Bowl XXII, two hot-house teams accustomed to performing in the 70 degree (21 centigrade) serenity of domed stadiums must now cope with the big chill that has frozen much of the United States: the Indianapolis Colts in Cleveland and the Houston Oilers in Denver.



John Elway practiced passing Thursday afternoon in Denver in front of the watchful, and warmer, coach of the Broncos, Dan Reeves.

divisional playoff at Cleveland against the New York Jets, he completed 33 of 64 passes for 489 yards and a touchdown in rallying the Browns to a 23-20 double-overtime victory.

outdoors at this time of year," he said. "Once the game starts, you must play under the conditions that prevail."

Rocket Win Leaves A 'Tower' Shorted

Compiled by Our Staff From Dispatches

OAKLAND, California — The one-time Twin Towers collided Thursday night, and when it was over only one still stood tall.

Roche, Fagor Settle Dispute

DUBLIN — Stephen Roche, the first Irishman to win the Tour de France bicycle race, has settled his differences with his Spanish sponsor, Fagor, and will ride for the team in 1988, his agent said Friday.

Lewis Breaks Bone, the 6th U.S. Ski Injury

VAI D'ISERE, France — Doug Lewis broke a left collarbone Friday, becoming the second member of the U.S. Olympic ski team to injure himself in the last three days, and the sixth this year, with the Calgary Games only five weeks away.

SCOREBOARD

Table with columns for Transition, Basketball, U.S. College Scores, and Hockey. It lists various sports events, teams, and scores.

2 'Losers' Big Winners After a Hialeah Frenzy

By Steven Crist

HIALEAH, Florida — A betting frenzy surrounding the largest Pick-Six pool in Florida racing history made for a memorable closing afternoon Thursday at Hialeah Park.

Olympic Record Broken by 145 Entries to Seoul

The Associated Press

LAUSANNE, Switzerland — Romania became Friday the fifth Soviet bloc country to announce that it will participate in this year's Summer Games in Seoul and that, along with a confirmation from Burma, brought to 145 the number of national Olympic committees entering the Games, International Olympic Committee spokeswoman Claire Barrau said.

Hockey

Table with columns for NHL Standings, Campbell Conference, and World Cup Soccer. It lists hockey team standings and soccer match results.

ESORTS & GUIDES

Table listing various escort and guide services, including International Escort, London Kensington, and Zurich Susan.

INTERNATIONAL CLASSIFIED

Table listing international classified advertisements, including Amsterdam 2000, Geneva Escort, and various travel and service agencies.

The Globe Newspaper advertisement with a graphic of a globe and text promoting the newspaper.

POSTCARD The Signs of Wall Drug

By Ronald MacArthur International Herald Tribune With a name like "Wall" a town has a lot of explaining to do.

The water is courtesy of Wall Drug, which is like an oasis in the midst of seemingly endless prairies. But that's not all tourists can get at Wall Drug.

Although its name signifies a drugstore, it's unlike any drugstore anywhere else in the world. It's a museum, restaurant (with authentic buffalo burgers), pharmacy, jewelry store, camping outfitter, soda fountain, tourist information center, Indian-book store.

In 1931, Ted and Dorothy Husted moved to Wall and opened a small pharmacy. Business was slow, until they hit on an idea to help tired, thirsty tourists cool off.

Advertising has paid off for the Husters, but they are not content with their success in South Dakota and neighboring states.

Visitors to Wall Drug can also receive a free sign if they promise to display it and send back a photograph. Lining the walls of the drugstore are snapshots of Wall Drug signs all over the globe.

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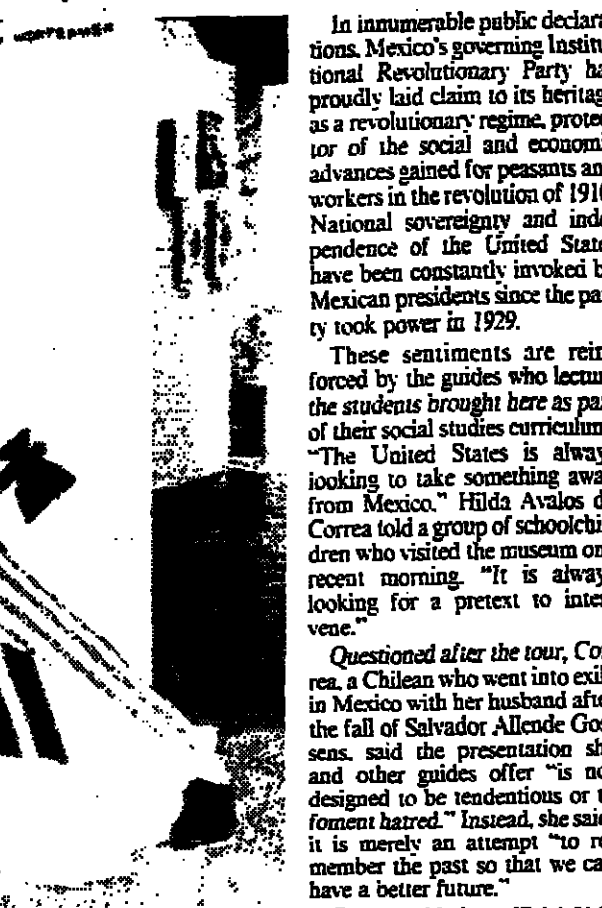
Mexico's 'Memory' of the U.S. In Search of Glasnost

By Larry Rohter New York Times Service MEXICO CITY — At the entrance stands Uncle Sam, his axe raised triumphantly over a prostrate Mexico.

In the course of their history as neighbors, Mexico and the United States have endured relations often marked by tension, conflict and mutual suspicion.

Housed in a former convent, the museum contains exhibits, maps, weapons, documents and photographs that convey a distinctly Mexican view of that uneasy relationship.

Although its name signifies a drugstore, it's unlike any drugstore anywhere else in the world. It's a museum, restaurant (with authentic buffalo burgers), pharmacy, jewelry store, camping outfitter, soda fountain, tourist information center, Indian-book store.



Opening display at Mexico City's Museum of Intervention.

Sunday in 1836 after their surrender at what is now Goliad, Texas, are described merely as having been "shot."

Many of the exhibits offer a version of history that differs dramatically from that taught in American schools. The dozens of Mexican school and family groups that visit the museum each month learn these things, among others:

The Russian humor magazine Krokodil has published a strongly anti-Soviet excerpt from a memoir of life in American exile by the novelist Vassily Aksyonov.

The ballerina Alicia Alonso says she will participate in a benefit in Belgium to raise funds for the fight against AIDS.

Lionel Hampton wrapped up a two-week Paris gig Friday with an impromptu jam session in the French Culture Ministry, where he was named a Commander of Arts and Letters.

INTERNATIONAL CLASSIFIED

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